

# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

February 8, 2017

AGENDA ITEM NO.: **1**

**Action Requested: APPROVE**

JANUARY 11, 2017, MEETING MINUTES

File Number 1500200

The meeting of the *TransNet* Independent Taxpayer Oversight Committee (ITOC) was called to order by Chair Stewart Halpern at 9:37 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 November 9, 2016, meeting minutes. Yes – Chair Halpern, Vice Chair Dustin Fuller, Mr. Brad Barnum, Ms. Lee, Mr. Kai Ramer, Mr. Tibbitts, and Mr. Dick Vortmann. No – None. Abstain – None. Absent – None.

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

There were no public or member comments.

## CONSENT

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

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

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

The San Diego Association of Governments (SANDAG) Board of Directors awarded eight cycles of the *TransNet* Environmental Mitigation Program Land Management Grant Program. This report provided information to the ITOC on the quarterly status of active projects.

5. FY 2017 PROGRAM BUDGET AMENDMENT FOR ELVIRA TO MORENA DOUBLE TRACK PROJECT AND CONSTRUCTION MANAGER/GENERAL CONTRACTOR CONSTRUCTION SERVICES AGREEMENT SUPPLEMENT 5 (INFORMATION)

On December 16, 2016, the SANDAG Board of Directors approved an amendment to the FY 2017 Program Budget adding \$61.98 million in state Cap-and-Trade Transit and Intercity Rail Capital Program funding, \$18.15 million in *TransNet* program funding capacity, and \$3.96 million in funds

from the City of San Diego to the Elvira to Morena Double Track (EMDT) Project and increasing the project budget to \$192.5 million. The SANDAG Board of Directors also approved the Guaranteed Maximum Price negotiated between Mid-Coast Transit Constructors and SANDAG for Supplement 5 of the Construction Manager/General Contractor (CM/GC) Construction Services Agreement for the EMDT Project.

Action: Consent Item Nos. 3 through 5 were presented for information.

## REPORTS

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

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

Ariana zur Nieden, Senior *TransNet* Program Manager, provided a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed: Overview of Developments in the Financial Markets; *TransNet* Program and Revenue Forecast Update; *TransNet* Environmental Mitigation Program Land Management Grant Program; Draft Project Rankings and Draft Funding Recommendations for Eighth Cycle of Grant Funding; FY 2017 Program Budget Amendment for Elvira to Morena Double Track Project and CM/GC Construction Services Agreement Supplement 5.

Action: This item was presented for information.

### 7. PROPOSED AMENDMENT TO SANDAG BOARD POLICY NO. 031: *TransNet* ORDINANCE AND EXPENDITURE PLAN RULES (RECOMMEND)

Staff is proposing revisions to Rule 7 of SANDAG Board Policy No. 031: *TransNet* Ordinance and Expenditure Plan Rules to clarify the requirement for a public hearing prior to a local agency's approval of its Regional Transportation Improvement Program (RTIP) project update.

Michelle Smith, Senior Project Control Analyst, presented the item.

Action: Upon a motion by Mr. Fuller, and a second by Mr. Vortmann, the ITOC recommended that the Executive Committee recommend, and the Board of Directors approve the proposed changes to Rule 7 of SANDAG Board Policy No. 031. Yes – Chair Halpern, Vice Chair Fuller, Mr. Barnum, Ms. Lee, Mr. Ramer, Mr. Tibbitts, and Mr. Vortmann. No – None. Abstain – None. Absent – None.

### 8. FY 2015 *TransNet* TRIENNIAL PERFORMANCE AUDIT: UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS (DISCUSSION)

The ITOC accepted the final FY 2015 *TransNet* Triennial Performance Audit (third triennial audit) report at its June 10, 2015, meeting. Staff presented an update on implementation of audit recommendations at the September 2015 and April 2016 ITOC meetings.

Ms. zur Nieden provided an overview of progress made to date on recommendations from the third audit and requested the ITOC review and discuss the updated implementation status of audit recommendations.

Vice Chair Fuller requested that staff return with further information on what changes could be made to provide local jurisdictions more opportunity to take advantage of regional mitigation efforts to meet mitigation requirements for local projects as stated in performance audit Recommendation No. 8.

Mr. Ramer requested an update on CM/GC lessons learned be presented at a future meeting.

Action: This item was presented for discussion.

9. 2016 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: AMENDMENT NO. 1 (DISCUSSION)

On September 23, 2016, the SANDAG Board of Directors adopted the 2016 RTIP, the multiyear program of proposed major transit, highway, arterial, and bikeway projects in the San Diego region covering the period FY 2017 to FY 2021. This amendment represents a regular quarterly amendment to the 2016 RTIP and reflects changes as requested by member agencies. The ITOC was asked to review and discuss the 2016 RTIP Amendment No. 1, focusing on the *TransNet* Program of Projects.

Ms. Smith presented the item.

Action: This item was presented for discussion.

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

Asitha Seneviratne, Senior Project Scheduler, provided an overview of cost control and schedule adherence of the *TransNet* Major Corridor projects provided through the Dashboard reporting system. This item relates to the required quarterly reporting process specified under Paragraph 10 of the *TransNet* Extension Ordinance Statement of Understanding.

Action: This item was presented for information.

11. *TransNet* PROGRAM AND REVENUE FORECAST UPDATE (INFORMATION)

At its November 9, 2016, meeting, the ITOC discussed the latest developments in the financial markets, the economy, and sales tax revenues and capacity to complete all projects included in the *TransNet* Extension Ordinance.

Kim Kawada, Chief Deputy Executive Director, and Ray Major, Chief Economist, provided an update on the *TransNet* Program, including progress and an overview of SANDAG revenue and cost estimates.

Chair Halpern directed staff to consider incorporating a probability scenario analysis with future Plan of Finance updates.

Action: This item was presented for information.

12. FUTURE MEETING SCHEDULE

The next regular ITOC meeting is scheduled for Wednesday, February 8, 2017, at 9:30 a.m.

13. ADJOURNMENT

Chair Halpern adjourned the meeting at 11:45 a.m.

Meeting Start Time: 9:37 a.m.  
 Meeting Adjourned Time: 11:45 a.m.

**INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE  
 MEETING ATTENDANCE FOR JANUARY 11, 2017**

JURISDICTION/ORGANIZATION	NAME	ATTENDING	COMMENTS
Licensed Civil/Traffic Engineer	Jonathan Tibbitts	Yes	
Finance/Budgeting	Stewart Halpern	Yes	Chair
Biology/Environmental	Dustin Fuller	Yes	Vice Chair
Licensed Engineer	Kai Ramer	Yes	
Right of Way Acquisition	Carolyn Lee	Yes	
Private Sector	Dick Vortmann	Yes	
Contractor/Construction	Brad Barnum	Yes	
ADVISORY MEMBERS LISTED BELOW (ATTENDANCE <b>NOT</b> COUNTED FOR QUORUM PURPOSES)			
San Diego County Auditor's Office	Tracy Drager (1st Alt.)	Yes	
SANDAG STAFF MEMBERS LISTED BELOW			
Kim Kawada, Chief Deputy Executive Director José Nuncio, <i>TransNet</i> Department Director Ariana zur Nieden, Senior <i>TransNet</i> Program Manager			