

INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

March 8, 2017

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

FEBRUARY 8, 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 9:34 a.m.

1. APPROVAL OF MEETING MINUTES (APPROVE)

Action: Upon a motion by Jonathan Tibbitts, and a second by Kai Ramer, the ITOC approved the January 11, 2017, meeting minutes. Yes – Chair Halpern, Vice Chair Dustin Fuller, Brad Barnum, Carolyn Lee, Mr. Ramer, Mr. Tibbitts, and 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* REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM PROPOSED FEE ADJUSTMENT (INFORMATION)

The *TransNet* Extension Ordinance requires that the Regional Transportation Congestion Improvement Program (RTCIP) transportation mitigation 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. Staff has evaluated construction cost trends and relevant indices, and based on this analysis, a 2 percent fee adjustment is recommended, raising the minimum RTCIP exaction from \$2,357 to \$2,405 beginning July 1, 2017.

4. *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.

Action: Consent Item Nos. 3 and 4 were presented for information.

REPORTS

5. 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 SANDAG Board of Directors actions on agenda items that the ITOC has reviewed: Project Evaluation Results for FY 2018 and FY 2019 *TransNet* Senior Mini-Grant Program Funding; *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program: Quarterly Progress Report; *TransNet* Environmental Mitigation Program Annual Status Report; and Proposed Amendment to SANDAG Board Policy No. 031: *TransNet* Ordinance and Expenditure Plan Rules.

Action: This item was presented for information.

6. PROJECT EVALUATION RESULTS FOR FY 2018 AND FY 2019 *TransNet* SENIOR MINI-GRANT PROGRAM FUNDING (DISCUSSION)

SANDAG is responsible for distributing *TransNet* Senior Mini-Grant funds through a competitive process as required by the *TransNet* Extension Ordinance. Staff presented the list of proposed Senior Mini-Grant projects from the most recent call for projects for *TransNet* funding eligibility.

Audrey Porcella, Regional Planner II, presented the item.

Action: This item was presented for discussion.

7. PROPOSED FY 2018 ITOC ANNUAL OPERATING BUDGET (DISCUSSION/POSSIBLE ACTION)

In accordance with the *TransNet* Extension Ordinance, the ITOC must submit an annual operating budget for the upcoming fiscal year to the SANDAG Board of Directors for approval 90 days prior to the beginning of the fiscal year.

Ms. zur Nieden presented the item.

Action: Upon a motion by Mr. Tibbitts, and a second by Mr. Vortmann, the ITOC recommended that the SANDAG Board of Directors approve the proposed FY 2018 ITOC Annual Operating Budget. Yes – Chair Halpern, Vice Chair Fuller, Mr. Barnum, Ms. Lee, Mr. Ramer, Mr. Tibbitts, and Mr. Vortmann. No – None. Abstain – None. Absent – None.

8. QUARTERLY *TransNet* FINANCIAL REPORTS FOR THE PERIOD ENDING DECEMBER 31, 2016, AND OTHER FINANCIAL DATA (INFORMATION)

Staff presented the quarterly *TransNet* financial information in accordance with requests from the ITOC as well as in response to recommendations from the first and second *TransNet* Triennial Performance Audits. Staff also presented an update on the monitoring of local jurisdiction balances.

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

Action: This item was presented for information.

9. FY 2017 *TransNet* PROGRAM REVENUE REVISION AND ESTIMATES FOR FY 2018 TO FY 2022 (INFORMATION)

Ray Major, Director of Technical Services and Chief Economist, and Dawn Vettese, Financial Programming Manager, presented the *TransNet* revenue estimates that are provided to the transit agencies, local agencies for their local streets and roads program, and the non-motorized program to support both ongoing operations and capital projects.

Chair Halpern requested that staff present draft revenue and cost assumptions in advance of each annual Plan of Finance update.

Chair Halpern also requested that staff provide a status update on management and forecasting process improvements stemming from lessons learned at a future meeting.

Mr. Vortmann requested that staff pursue efforts to better inform the public regarding the relative magnitude of the federal and state matching funds compared to the smaller local *TransNet* portion to provide some perspective on the three to one ratio of federal/state vs. *TransNet* funding, including the remaining amount of *TransNet* funds available after debt service. He also requested that staff provide a quantification of the variance between the prior Demographic and Economic Forecasting Model and the more recent Consensus Forecast.

Action: This item was presented for information.

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

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

ITOC members requested that the next presentation include a report on cross-border spending and the correlation to impacts on local sales tax revenues.

Action: This item was presented for information.

11. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM: ANNUAL STATUS REPORT (INFORMATION)

Keith Greer, Senior Regional Planner, and Sarah Pierce, Regional Planner II, provided an annual status update on the implementation of the *TransNet* Environmental Mitigation Program.

Action: This item was presented for information.

12. FUTURE MEETING SCHEDULE

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

13. ADJOURNMENT

Chair Halpern adjourned the meeting at 11:57 a.m.

**INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE
 MEETING ATTENDANCE FOR FEBRUARY 8, 2017**

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	Yes	
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			
Kim Kawada, Chief Deputy Executive Director José Nuncio, <i>TransNet</i> Department Director Veronica Serrano, Associate Project Control Analyst Ariana zur Nieden, Senior <i>TransNet</i> Program Manager			