March 13, 2019, TransNet Independent Taxpayer Oversight Committee Meeting Minutes

Chair Dustin Fuller (Biology/Environmental) called the meeting of the TransNet Independent Taxpayer Oversight Committee (ITOC) to order at 9:30 a.m.

1. Approval of Meeting Minutes (Approve)

Action: Upon a motion by Mr. Jonathan Tibbitts (Licensed Civil/Traffic Engineer) and a second by Mr. Stewart Halpern (Finance/Budgeting), the ITOC approved the minutes from its February 13, 2019, meeting. Yes: Chair Fuller, Mr. Halpern, Mr. Kai Ramer (Licensed Engineer), Mr. Gregg Sadowsky (Right-of-Way Acquisition), and Mr. Tibbitts. No: None. Abstain: None. Absent: Private Sector and Contractor/Construction.

2. Public Comments/Communications/Member Comments

There were no public comments.

Consent

3. TransNet Environmental Mitigation Program Land Management Grant Program Quarterly Update (Information)

This report provided an overview of progress made by TransNet Environmental Mitigation Program Land Management Grant recipients.

Action: This item was presented for information.

Reports

6. Actions by the Transportation Committee and Board of Directors on TransNet-Related Agenda Items (Information)

Ariana zur Nieden, Senior TransNet Program Manager, presented an update on actions taken by the Transportation Committee and Board of Directors on agenda items that the ITOC has reviewed: TransNet Short-Term Revenue Estimates; New Environmental Mitigation Program Memorandum of Agreement; TransNet Regional Transportation Congestion Improvement Program; Fee Adjustment; Regional Plan Action Plan; and the Board Retreat.

Action: This item was presented for information.
7A. FY 2018 TransNet Fiscal and Compliance Audits: Initial Findings and Recommendations (Accept)

Lisa Kondrat-Dauphin, Senior Accountant, and Jennifer Farr, Davis Farr, LLC, presented the item.

ITOC members requested that the FY 2019 TransNet Fiscal and Compliance Audits Subcommittee review several areas highlighted as part of the auditor’s presentation for potential addition to the 2019 Agreed Upon Procedures (AUP) including consistency in reporting unrealized gains/losses and 70/30 Congestion Relief/Maintenance classifications and debt calculations. ITOC members also discussed the possibility of including additional steps for testing payroll transactions vs. payroll expenses and requested that the AUP include auditor confirmation of reasonableness of indirect costs. ITOC members also asked staff to develop guidelines for priority use of Regional Transportation Congestion Improvement Program funds when projects also are funded with Local Street and Road funding.

Action: Upon a motion by Mr. Halpern and a second by Mr. Tibbitts, the ITOC accepted the draft independent auditor’s report on results of the agreed upon procedures, including initial findings and recommendations, for presentation to the Transportation Committee on March 15, 2019. Yes: Chair Fuller, Mr. Halpern, Mr. Ramer, Mr. Sadowsky, and Mr. Tibbitts. No: None. Abstain: None. Absent: Private Sector and Contractor/Construction.

Chair’s Reports

4. San Diego Forward: The Regional Plan (Information)

An update on development of San Diego Forward: The Regional Plan was provided.

Hasan Ikhrata, Executive Director, provided an update to the ITOC on the Board of Directors action to delay the adoption of San Diego Forward: The 2019-2050 Regional Plan.

Action: This item was presented for information.

5. Update on Airport Connectivity Subcommittee (Information)

Mr. Ikhrata provided an update on the Airport Connectivity Subcommittee.

Action: This item was presented for information.

7B. FY 2018 TransNet Extension Ordinance Funding Eligibility Requests (Discussion/Possible Action)

Lisa Kondrat-Dauphin, Senior Accountant, and Jennifer Farr, Davis Farr, LLC, presented the item.

Action: Upon a motion by Mr. Tibbitts and a second by Mr. Ramer, the ITOC: (1) considered the TransNet funding eligibility requests of the Metropolitan Transit System, North County Transit District, and the cities of Del Mar and San Marcos; and (2) made a recommendation to the Board of Directors, acting as the San Diego County Regional Transportation Commission, regarding these requests. Yes: Chair Fuller, Mr. Halpern, Mr. Ramer, Mr. Sadowsky, and Mr. Tibbitts. No: None. Abstain: None. Absent: Private Sector Contractor/Construction.

ITOC members requested that final fiscal and compliance audits document findings noted in the draft fiscal audit report.

8. FY 2018 TransNet Triennial Performance Audit: Transit Operator Funding Eligibility (Discussion)

Brian Lane, Senior Planner, and Ms. Kondrat-Dauphin presented proposed options for recommended revisions to Section 4(C)5 of the TransNet Extension Ordinance related to transit operator eligibility.

ITOC members elected to establish a subcommittee to further discuss options and appointed Mr. Halpern and Tracy Drager to the subcommittee. In addition, ITOC members asked staff to inquire whether Mr. Vortmann would be available to serve.

Action: This item was presented for discussion.
9. 2019 ITOC Annual Report (Discussion)
Ms. zur Nieden presented a progress update, including input provided by the 2019 ITOC Annual Report Subcommittee. The ITOC was asked to provide feedback on the content and format proposed for its annual report.
Action: This item was presented for discussion.

10. TransNet Program Update (Information)
José Nuncio, TransNet Department Director, Jim Linthicum, Director of Mobility Management and Project Implementation, and Ray Major, Director of Data, Analytics, and Modeling, presented an update on the financial capacity of the TransNet Major Corridors Program.
Action: This item was presented for information.

11. Draft FY 2020 TransNet Major Corridors and Regional Bikeway Programs Budget Update (Discussion)
Susan Huntington, TransNet Project Office Program Manager, presented the item.
The SANDAG FY 2020 Draft Program Budget will be presented to the Board of Directors in March 2019. The ITOC was asked to discuss the Draft FY 2020 TransNet Budgets.
ITOC members requested that future reports include prior year milestones to provide additional context.
Action: This item was presented for discussion.

12. Specialized Transportation Strategic Plan (Discussion)
Action: This item was moved to a future meeting.

13. Specialized Transportation Grant Program Cycle 10 Call for Projects: Senior Mini-Grant Funding Recommendations (Discussion)
Audrey Porcella, Associate Regional Planner, presented the item.
The ITOC reviewed and discussed the proposed Senior Mini-Grant projects recommended for funding for consistency with the eligibility requirements of the TransNet Extension Ordinance.
Action: This item is presented for discussion.

14A. TransNet Ten-Year Review: Implementation Update (Information)
Ms. zur Nieden presented an update on implementation of the first TransNet Ten-Year Review.
Action: This item was presented for information.

14B. Implementation of FY 2018 TransNet Triennial Performance Audit Recommendations (Information)
Ms. zur Nieden presented an update on implementation of the FY 2018 TransNet Triennial Performance Audit recommendations.
Action: This item was presented for information.

15. TransNet Independent Taxpayer Oversight Committee Member Solicitation (Information)
Ms. zur Nieden provided an update on the solicitation process.
16. Upcoming Meetings
The next ITOC meeting is scheduled for Wednesday, April 10, 2019, at 9:30 a.m.

17. Adjournment
Chair Fuller adjourned the meeting at 12:10 p.m.
Confirmed Attendance at SANDAG TransNet Independent Taxpayer Oversight Committee Meeting

March 13, 2019

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<thead>
<tr>
<th>Jurisdiction</th>
<th>Name</th>
<th>Attended</th>
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<tbody>
<tr>
<td>Finance/Budgeting</td>
<td>Stewart Halpern</td>
<td>Yes</td>
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<tr>
<td>Biology/Environmental</td>
<td>Dustin Fuller, Chair</td>
<td>Yes</td>
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<td>Contractor/Construction</td>
<td>Brad Barnum</td>
<td>No</td>
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<td>Right-of-Way Acquisition</td>
<td>Gregg Sadowsky</td>
<td>Yes</td>
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<td>Licensed Engineer</td>
<td>Kai Ramer</td>
<td>Yes</td>
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<tr>
<td>Licensed Civil/Traffic Engineer</td>
<td>Jonathan Tibbitts</td>
<td>Yes</td>
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<tr>
<td>Private Sector</td>
<td>Dick Vortmann</td>
<td>No</td>
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Advisory Members

San Diego County Auditor’s Office  
Tracy Drager (Alternate)  Yes

SANDAG Staff Members and Titles

Hasan Ikhrata, Executive Director
Kim Kawada, Chief Deputy Executive Director
José Nuncio, TransNet Department Director
Ariana zur Nieden, Senior TransNet Program Manager