EXECUTIVE COMMITTEE DISCUSSION AND ACTIONS
Meeting of June 18, 2004

Chairman Ron Morrison (South County) called the Executive Committee meeting to order at 8:07 a.m. The attendance sheet for the meeting is attached.

1. APPROVAL OF MINUTES

Upon a motion by Councilmember Jim Madaffer (City of San Diego) and a second by Councilmember Jack Feller (North County Coastal), the minutes of the May 14, 2004, Executive Committee meeting were unanimously approved.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBERS COMMENTS

There were no public or member comments.

CONSENT (Items 3 and 4)

3. PERFORMANCE EVALUATION OF EXECUTIVE DIRECTOR (APPROVE)

4. LEGISLATIVE UPDATE (INFORMATION/POSSIBLE ACTION)

Action: Upon a motion by Vice Chair Cafagna (North County Inland) and a second by Councilmember Madaffer, the Executive Committee approved Consent Items 3 and 4.

REPORTS

5. FY 2005 PROGRAM BUDGET (APPROVE)

The Director of Finance provided highlights of the FY 2005 Budget including Administration, the Overall Work Program (OWP), and the capital projects. Page 58 shows the capital projects that have been assumed from the Metropolitan Transit System (MTS) and the North County Transit District (NCTD) as part of consolidation. Page 122 indicates the TransNet program budget. The Director of Finance stated that an employee classification study is currently ongoing and it will be completed this fall. Any recommended changes will come back to the Executive Committee, but will be kept within the budget amount. The transit operators’ budgets will be approved at this morning’s Transportation Committee meeting, subject to approval by the individual transit operators.

The Director reviewed the changes since the last time the Executive Committee saw this budget. It is anticipated that there will be approximately $60,000 in unexpended training
funds in FY 2004 and staff would like to carry these funds over for FY 2005. The training will cover the following areas: change management training, project management training, supervisor/management workshops, sexual harassment/diversity training, Americans with Disabilities Act (ADA) training, and Brown Act training. The workers compensation line item was increased by $140,000 since the initial estimates provided to our broker did not include the entire consolidated staff. We do not have the actual estimate for FY 2005, but we have made assumptions based on the complete number of consolidated staff, including construction field personnel. We have included $470,000 for the cost of printing the prepaid fare media. This is a function assumed as part of consolidation and the funding is being transferred from MTS. We had a program to repair tanks and piping at the Kearny Mesa Division (KMD) bus maintenance facility. Recent inspections have found that the KMD and the Imperial Avenue Division facilities both failed to meet standards for secondary containment. Therefore, the budget will reflect a transfer of funds from a Bus Simulator project and the SDTC Miscellaneous Capital project to correct these deficiencies. Two Criminal Justice grants have been added to the OWP (Working to Insure and Nurture Girls’ Success, and Teen Court). In addition, the Automated Regional Justice Information System (ARJIS) budget has been changed to reflect updated assumptions for member assessments, member fees, and grants. It was noted that all ARJIS costs are fully funded by outside sources. At the request of the transit operators, we have increased the Assistance to Transit Operators project to fully fund the Passenger Counting Program back to its original amount. Further, we received a cost estimate of $500,000 from the Registrar of Voters to print the TransNet ballot measure. This amount is not in the budget. Once we receive the final cost estimate, we will use carryover or TransNet reserve funds to cover this amount.

Councilmember Feller asked about the Brown Act training. The Director of Administration stated that there have been some problems in the past with quorums related to committee or workshop meetings where there are elected officials. We want to have staff undergo this training so that they understand the requirements.

Billie Johnson, representing the International Brotherhood of Electrical Workers (IBEW) Local 569, stated that they negotiated a rate increase put towards the health and welfare program to keep it solvent. On top of that, health premiums increased $80 a month. That means that 5 percent of their wages are going towards covering their health and welfare costs. There are a large number of uninsured people using hospital emergency rooms for their insurance coverage. About 82 million Americans are without health coverage. Local 569 and other union members are subsidizing the health care costs for those who are uninsured.

Tom Kunde, a member of Local 569, supported a proposal that would require large employers to provide health insurance for their employees. A mock check to the San Diego Chamber of Commerce was presented that showed the amount of money equal to the monthly hours worked to pay for health care costs. He said that this is what they have given up in raises to corporations who do not ensure their workers. He emphasized the negative impact that the current health care crisis is having on our region.

Jane Haugen, a member of Local 569, stated that when SANDAG discusses its budget, they hope that it takes into account the true impact of regional health costs. She said that we cannot afford to continue to subsidize health care for uninsured workers. She asked that elected officials incorporate the real cost of health care into their agency budgets.
Action: Upon a motion by Councilmember Madaffer, and a second by Councilmember Feller, the Executive Committee voted to recommend that the SANDAG Board of Directors approve the resolution adopting the FY 2005 Final Budget.

6. REVIEW OF JUNE 25, 2004, DRAFT BOARD AGENDA (APPROVE)

Chief Deputy Executive Director, Eric Pahlke, reviewed the draft Board meeting agenda for the June 25, 2004, meeting. Item 5 relates to SANDAG’s role as the Integrated Waste Management Task Force. Item 6 is the performance review of the Executive Director. He noted that this item will be moved to the Chair’s Report section of the agenda. Item 7 is the annual report from the Department of Defense on its projects in the region. Item 8 is the annual evaluation of the weighted vote formula; there are no changes to the formula. Item 9 relates to Transportation Development Act (TDA) allocations. This information will be presented to the Transportation Committee this morning. The TDA claims are for operating and capital support of public transportation systems and for nonmotorized transportation projects.

Mr. Pahlke indicated that two new items would be added to the Consent portion of the agenda: an amendment to the agreement with the California Public Employees Retirement System (CALPERS) to reflect the new actuarial charts. The agreements with MTS, SANDAG, and NCTD have all changed due to consolidation. A second additional item is the FY 2003 Comprehensive Annual Financial Report (CAFR).

Under the Chair’s Report is a summary of the joint SANDAG/SCAG (Southern California Association of Governments) meeting on May 27, 2004. Item 14 relates to recognition of Captain Christopher Schanze, United States Navy (USN), Civil Engineer Corps, who has served as the advisory member on the SANDAG Board, representing the Department of Defense. Captain Schanze is leaving the area to assume a new leadership post in Washington, D.C. Item 15 is the election of Board officers; the Nominating Committee will provide a verbal report at the Board meeting. The Discussion item is action to approve the Final FY 2005 Program Budget.

Action: Upon a motion by Councilmember Madaffer, and a second by Vice Chair Cafagna, the Executive Committee voted to approve the June 25, 2004, draft Board agenda as presented.

7. UPCOMING MEETINGS

The next Executive Committee is scheduled for July 9, 2004.

8. ADJOURNMENT

Chair Morrison adjourned the meeting at 8:27 a.m.
## CONFIRMED ATTENDANCE

### SANDAG EXECUTIVE COMMITTEE MEETING

### JUNE 18, 2004

<table>
<thead>
<tr>
<th>GEOGRAPHICAL AREA</th>
<th>JURISDICTION</th>
<th>NAME</th>
<th>MEMBER/ALTERNATE</th>
<th>ATTENDING</th>
<th>COMMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>North County Coastal</td>
<td>City of Oceanside</td>
<td>Jack Feller</td>
<td>Member</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City of Carlsbad</td>
<td>Ramona Finnila</td>
<td>Alternate</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>North County Inland</td>
<td>City of Poway</td>
<td>Mickey Cafagna</td>
<td>Member</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City of Escondido</td>
<td>Lori Holt Pfeiler</td>
<td>Alternate</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>East County</td>
<td>City of Santee</td>
<td>Hal Ryan</td>
<td>Member</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City of Lemon Grove</td>
<td>Mary Sessom</td>
<td>Alternate</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>South County</td>
<td>City of National City</td>
<td>Ron Morrison</td>
<td>Member</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City of Chula Vista</td>
<td>Steve Padilla</td>
<td>Alternate</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>City of San Diego</td>
<td></td>
<td>Jim Madaffer</td>
<td>Member</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Scott Peters</td>
<td>Alternate</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>County of San Diego</td>
<td></td>
<td>Dianne Jacob</td>
<td>Member</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Greg Cox</td>
<td>Alternate</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>