



FIRST *TransNet* TEN-YEAR COMPREHENSIVE PROGRAM REVIEW

File Number 1500100

Introduction

At its May 19, 2017, meeting, the Transportation Committee discussed preliminary options for how the first *TransNet* Ten-Year Comprehensive Program Review should be conducted. At that meeting, the Transportation Committee also requested that the Regional Planning Committee be provided with a similar presentation, including how efforts under both the Ten-Year Review and the upcoming 2019 Regional Plan could be coordinated. Staff presented this information at the June 2, 2017, Joint Meeting of the Regional Planning and Transportation Committees for discussion.

Recommendation

The Transportation Committee is asked to recommend that the Board of Directors, acting as the San Diego County Regional Transportation Commission, approve the proposed approach for the first *TransNet* Ten-Year Comprehensive Program Review, including draft work plan concepts.

This report presents the Transportation Committee with the proposed approach for the next steps in conducting the Ten-Year Review, including a draft work plan for review.

Discussion

The *TransNet* Extension Ordinance requires that the SANDAG Board, acting as the San Diego County Regional Transportation Commission (Commission), conduct a Ten-Year Review of all *TransNet* projects and programs to evaluate and improve performance of the overall program. The Extension Ordinance includes the following provision regarding Commission responsibility for the Ten-Year Review:

“Section 17. Ten-Year Comprehensive Review: The Commission shall conduct a comprehensive review of all projects and programs implemented under the Expenditure Plan to evaluate the performance of the overall program over the previous ten years and to make revisions to the Expenditure Plan to improve its performance over the subsequent ten years. Such comprehensive program reviews shall be conducted in Fiscal Years 2019, 2029 and 2039. Revisions to the Ordinance and Expenditure Plan required as a result of the ten-year review shall be subject to the amendment process in Section 16.”

Transportation and Regional Planning Committees Feedback

The Transportation and Regional Planning Committees reviewed and discussed options for the timing of the review, the timeframe to be evaluated, the level of Board involvement in the process, and areas that could be evaluated. The feedback received for each of these items is outlined below.

At its meeting on May 19, 2017, the Transportation Committee supported ensuring the “look back” component of the Ten-Year Review evaluates program/project results starting in 2005 – the inception of the *TransNet* Early Action Program (EAP). The Committee also supported coordinating the “look forward” component with the 2019 Regional Plan update. Committee members also discussed placing an emphasis on the next ten years but not excluding the remaining years in the *TransNet* measure. Additionally, Committee members also discussed the need to consider the impact of disruptive transportation technologies¹ on the program.

The Transportation and Regional Planning Committees, at a joint meeting on June 2, 2017, also reviewed the preliminary options and provided feedback (Attachment 1) generally consistent with Transportation Committee input.

Committee members also supported the use of the existing SANDAG committee structure, including outreach to agency working groups to fully engage and encourage community involvement. Support also was expressed for using and aggregating existing data to provide guidance moving forward. Existing data could include past studies and performance audits, among other available materials and documentation.

In addition, Committee members discussed whether the Board would be better served by an outside consultant or in-house staff for either the “look back” or “look forward” steps in the process and to consider not just the cost but also the level of expertise. In terms of cost, it is certain that coordinating the review with the Regional Plan will result in cost and time savings in terms of tasks that can be streamlined, e.g., public outreach and involvement, regardless of whether those tasks are completed by in-house staff or an outside consultant. However, determining the actual cost would depend on what the Board ultimately decides the scope of the review would look like and the extent of the review.

One comparison that could be used in determining the cost differential of conducting the review either through in-house staff or through the services of an outside consultant, however, could be the triennial performance audit conducted by the Independent Taxpayer Oversight Committee (ITOC). Although the triennial audit conducted by the ITOC covers a different scope than that of the Ten-Year Review, the portion of work attributable to the review of existing materials and documentation under both the Commission's Ten-Year Review and the ITOC performance audit could be comparable as both would review many similar documents and materials.

¹ Disruptive technologies refer to innovations that may be considered unproven or relatively unknown, e.g., autonomous vehicles; creating a new market and eventually disrupting an existing market thereby displacing and ultimately supplanting existing technologies.

The ITOC is scheduled to conduct its next performance audit starting July 2017. This could be an opportunity for the Board and ITOC to consider potentially having the Ten-Year Review and the performance audit share in the documentation review tasks of both efforts. The ITOC uses the services of an independent outside auditor to conduct its performance audit and the portion of work for documentation review and performance analysis is conducted at a cost of approximately \$100,000 and is paid for out of the ITOC operating budget. Sharing in this portion of the work effort could result in additional savings and reduction of duplication of efforts since both the review and the performance audit would be occurring at the same time.

At the May 19, 2017, meeting, Transportation Committee members also requested a more definitive approach to conducting the review be presented alongside factors such as cost. In order to facilitate this effort, draft Ten-Year Program Review Work Plan Concepts are being proposed. The proposed Plan is provided as Attachment 2 to this report and includes:

- tasks proposed, including conducting the review and identifying potential revisions to the Expenditure Plan when updating the 2019 Regional Plan, and
- proposed timeline for accomplishment of the tasks.

The expected cost of the work effort associated with the look back portion of the Plan is approximately \$100,000, which would be funded with *TransNet* 1 percent off-the-top administration funds budgeted in FY 2018 work element 1500100, *TransNet* Financial Management.

Next Steps

Pending additional input and recommendation by the Transportation Committee, the draft work plan would be presented at the June 23, 2017, SANDAG Board of Directors meeting for consideration.

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Attachments: 1. Transportation/Regional Planning Committees Joint Meeting Comments
2. First *TransNet* Ten-Year Comprehensive Review – Draft Work Plan Concepts

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Transportation and Regional Planning Committees
June 2, 2017, Joint Meeting Comments

- Importance was given to the identification of ways in which projects can be reviewed to improve the performance of the entire system.
- Providing committees multiple opportunities to review proposed metrics prior to finalizing, and ensuring the ten-year review provides opportunity to change project priorities (what is built where and when) also were discussed.
- A suggestion was made to conduct the look forward in two parts: a ten-year look forward and a higher level twenty-year look forward.
- Concern was expressed regarding changing technology and autonomous cars.
- Discussion included producing data, if available, to show how *TransNet* dollars have supported alternative modes of transportation. In particular, how local streets and roads projects have included reasonable accommodation for bicycle and pedestrian facilities, and how effective these investments have been.
- A comment was made about how different colors of money influence different types of projects, including bicycle and pedestrian accommodation.
- A request was made to re-evaluate the 70/30 congestion relief/maintenance ratio requirements as part of the review.

**Proposed First *TransNet* Ten-Year Comprehensive Program Review
Draft Work Plan Concepts**

Purpose:

- Conduct a comprehensive review of all projects and programs implemented under the Expenditure Plan to evaluate performance of the overall program since the start of the *TransNet* Early Action Program (January 2005)
- Identify potential revisions to the Expenditure Plan to improve its performance through FY 2029 and going forward through FY 2048 (when the *TransNet* Extension Ordinance sunsets)
- Provide alternatives to be considered by the Commission when updating the 2019 Regional Plan for determining whether any changes are warranted to better carry out the purpose of the Ordinance

Background:

The *TransNet* Extension Ordinance generates funding for public transit, highway, local road, and active transportation projects, and for programs focused on environmental protection and smart growth. The specific projects and programs funded under the Ordinance are further described in the document incorporated by reference to the Ordinance and titled *TransNet Extension Expenditure Plan Analysis* (Expenditure Plan).

Scope:

Task 1: Conduct a comprehensive review of all projects and programs implemented under the Expenditure Plan to date

Review *TransNet* program projects and programs funded under the Ordinance titled *TransNet* Extension Expenditure Plan Analysis, consistent with Section 4 of the *TransNet* Extension Ordinance which sets forth Expenditure Plan purposes, including but not limited to:

- *TransNet* Expenditure Plan
- *TransNet* Early Action Program (EAP) and related bond issuances
- Regional Bike EAP
- Transit Services
- New Major Corridor Transit Service Operations
- *TransNet* Administration
- Local Streets and Roads Program
- Major Corridor Project Environmental Mitigation Program (EMP)
- Local Project EMP
- Smart Growth Incentive Program
- Senior Mini-Grant Program
- Bicycle, Pedestrian, the Neighborhood Safety Program¹
- Independent Taxpayer Oversight Committee (ITOC)
- Other (to be determined)

¹ The Bicycle, Pedestrian, and Neighborhood Safety Program also is known as the *TransNet* Active Transportation Grant Program.

Utilize existing materials and documentation already reviewed by the SANDAG Board of Directors to conduct the review, such as:

- State of the Commute reports
- Annual *TransNet* Fiscal and Compliance audits conducted by the ITOC
- Triennial *TransNet* Performance Audit reports conducted by the ITOC
- Reports available on the Implementation and performance status of *TransNet* project and programs using technology tools used in project and program development, including, but not limited to, KeepSanDiegoMoving.com and the *TransNet* Dashboard
- Master Agreement Regarding Collaborative Projects Between SANDAG and Caltrans
- Master Agreement between SANDAG, North County Transit District (NCTD), and Metropolitan Transit System (MTS)
- SANDAG Board Policy No. 031: *TransNet* Ordinance and Expenditure Plan Rules
- *TransNet* EMP Memorandum of Agreement (MOA)
- San Diego Forward: The Regional Plan
- Quarterly Progress Reports on Transportation Projects
- Short-range planning documents such as the Coordinated Plan and the Regional Transportation Improvement Program
- The San Diego County Regional Transportation Commission Act commencing with Public Utilities Code Section 132000

Task 2: Identify preliminary options that could be considered in terms of revisions to the Expenditure Plan to improve its performance. These could include but not be limited to:

- Revisions to programs
- Revisions to projects
- Other (to be determined)

For each potential alternative in Task 2 provide a preliminary assessment that considers the results of *TransNet*-funded improvements as compared to the performance standards established through the 2019 Regional Plan.

Tasks 1 and 2 Deliverable: Draft report containing evaluation for presentation to the Transportation and Regional Planning Committees and SANDAG Board of Directors; Based on review by the Transportation and Regional Planning Committees and direction by the SANDAG Board of Directors, prepare Final report, including specific recommendations and next steps (Fall 2017/Winter 2018). Tasks 1 and 2 to be conducted by outside consultant.

Task 3: Utilize report results from Tasks 1 and 2 when updating the 2019 Regional Plan for determining whether any changes are warranted to better carry out the purpose of the Ordinance.

Task 3 Deliverable: Changes to the *TransNet* Extension Ordinance, as warranted and subject to Commission approval, to be made as part of the 2019 Regional Plan update. Task 3 to be conducted with the 2019 Regional Plan update by in-house staff.

Schedule:

Fall/Winter 2017 – Complete Tasks 1 and 2

Fall 2019 – Complete Task 3