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Mayor, **Chula Vista**

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Mayor, **Coronado**

Bill Wells
Mayor, **El Cajon**

Catherine Blakespear
Mayor, **Encinitas**

Sam Abed
Mayor, **Escondido**

Serge Dedina
Mayor, **Imperial Beach**

Kristine Alessio
Councilmember, **La Mesa**

Jerry Jones
Councilmember, **Lemon Grove**

Ron Morrison
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Jim Wood
Mayor, **Oceanside**

Steve Vaus
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Joe Stuyvesant, Navy Region Southwest
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Cody Martinez, Chairman
**Southern California Tribal
Chairmen's Association**

Hon. Marcela Celorio
Consul General, **Mexico**

Gary L. Gallegos
Executive Director, **SANDAG**



BOARD OF DIRECTORS AGENDA

Friday, February 24, 2017
9 a.m. to 12 noon
SANDAG Board Room
401 B Street, 7th Floor
San Diego

AGENDA HIGHLIGHTS

- **PROPOSED SANDAG DATA ACCURACY AND MODELING WORK PLAN**
- **FY 2017 *TransNet* REVENUES REVISION AND FY 2018 - FY 2022 *TransNet* AND TRANSIT RELATED REVENUES**
- **FIRST READING: REGIONAL TRANSPORTATION COMMISSION ORDINANCE NO. RTC-CO-2017-04: INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE TERM LIMITS**

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MESSAGE FROM THE CLERK

In compliance with Government Code §54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Executive Committee (EC) \$100, Board of Directors (BOD) \$150, and Regional Transportation Commission (RTC) \$100. Compensation rates for the EC and BOD are set pursuant to the SANDAG Bylaws and the compensation rate for the RTC is set pursuant to state law.

MISSION STATEMENT

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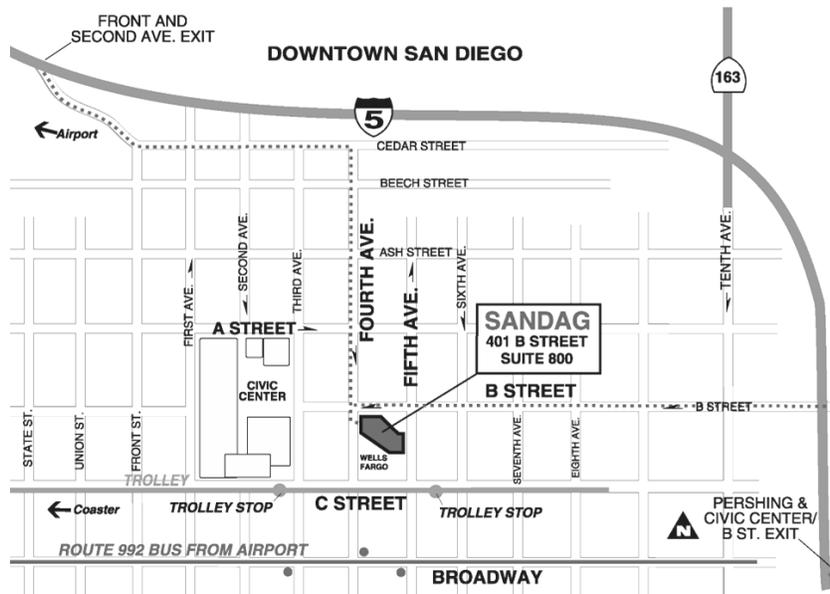
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BOARD OF DIRECTORS

Friday, February 24, 2017

ITEM NO.		RECOMMENDATION
+1.	APPROVAL OF MEETING MINUTES The Board of Directors is asked to review and approve the minutes from its January 27, 2017, Board Business meeting.	APPROVE
2.	PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Board on any issue within the jurisdiction of SANDAG that is not on this agenda. Other public comments will be heard during the items under the heading "Reports." Anyone desiring to speak shall reserve time by completing a "Request to Speak" form and giving it to the Clerk of the Board prior to speaking. Public speakers should notify the Clerk of the Board if they have a handout for distribution to Board members. Public speakers are limited to three minutes or less per person. Board members also may provide information and announcements under this agenda item.	
+3.	ACTIONS FROM POLICY ADVISORY COMMITTEES (Victoria Stackwick) This item summarizes the actions taken by the Policy Advisory Committees since the last Board Business Meeting. The Board of Directors is asked to ratify these actions.	APPROVE
CONSENT		
+4.	APPROVAL OF PROPOSED CONTRACT AWARD (Laura Coté) The Board of Directors is asked to authorize the Executive Director to execute a contract award to construct the San Marcos to Vista Segment of the Inland Rail Trail Project.	APPROVE
+5	REVISED REGIONAL ACTIVE TRANSPORTATION PROGRAM FUNDING RECOMMENDATIONS (Jenny Russo) The Board of Directors is asked to: (1) adopt SANDAG Resolution No. 2017-17 certifying the results of the San Diego Regional Active Transportation Program (ATP) competition, including the proposed ATP Application Ranking and revised Funding Recommendation; and (2) recommend that the California Transportation Commission fund the proposed San Diego Regional ATP projects consistent with the revised Funding Recommendation.	APPROVE

- | | | |
|------|---|-------------|
| +6. | <p><i>TransNet</i> ACTIVE TRANSPORTATION GRANT PROGRAM: PROPOSED REALLOCATION OF FUNDS FOR THIRD CYCLE OF GRANT FUNDING (Tracy Ferchaw)*</p> <p>The Transportation Committee recommends that the Board of Directors: (1) approve the reallocation of Cycle 3 <i>TransNet</i> Active Transportation Grant Program funds to the next highest ranked projects able to accept funds and complete projects as proposed in the original grant applications; and (2) adopt SANDAG Resolution No. 2017-16, approving a revision to the FY 2016 Transportation Development Act Funds Article 3 Claims.</p> | APPROVE |
| +7. | <p><i>TransNet</i> REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM FEE ADJUSTMENT (Ray Major, Veronica Serrano)*</p> <p>The <i>TransNet</i> Extension Ordinance requires that the Regional Transportation Congestion Improvement Program (RTCIP) 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. The Board of Directors is asked to approve a 2 percent adjustment to the RTCIP, raising the minimum fee from \$2,357 to \$2,404.14, beginning July 1, 2017.</p> | APPROVE |
| +8 | <p>REPORT ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (Victoria Stackwick)</p> <p>Board members will provide brief reports orally or in writing on external meetings and events attended on behalf of SANDAG since the last Board Business meeting.</p> | INFORMATION |
| +9. | <p>REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY THE EXECUTIVE DIRECTOR (André Douzdjian)*</p> <p>In accordance with various SANDAG Board Policies, this report summarizes certain delegated actions taken by the Executive Director since the last Board Business meeting.</p> | INFORMATION |
| +10. | <p>OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS AND QUARTERLY FINANCE REPORT FOR THE PERIOD ENDING DECEMBER 31, 2016 (André Douzdjian, Lisa Kondrat-Dauphin, and Ray Major)*</p> <p>This quarterly report provides various finance-related items to the Board of Directors, including: (1) a quarterly report of investments, including all money under the direction or care of SANDAG; (2) an update on the SANDAG debt portfolio; and (3) information about the latest developments in the financial markets, the economy, and sales tax revenues.</p> | INFORMATION |
| +11. | <p>QUARTERLY PROGRESS REPORT ON TRANSPORTATION PROJECTS - OCTOBER THROUGH DECEMBER 2016 (Asitha Seneviratne)*</p> <p>This quarterly report summarizes the current status of major transit, highway, arterial, traffic management, and Transportation Demand Management projects in the SANDAG five-year Regional Transportation Improvement Program.</p> | INFORMATION |

- +12. **APPOINTMENT OF POLICY ADVISORY COMMITTEE MEMBERS AND DESIGNATION OF PUBLIC TRANSPORTATION REPRESENTATIVES TO THE BOARD OF DIRECTORS (Victoria Stackwick)** **INFORMATION**

This item summarizes: (1) the voting and advisory members appointed to the Policy Advisory Committees, including the Committee Chairs and Vice Chairs appointed by the SANDAG Chair; and (2) the designation of Board members as public transportation representatives for the purpose of meeting federal requirements.

CHAIR'S REPORT

13. **SUMMARY OF ANNUAL SANDAG BOARD OF DIRECTORS RETREAT (David Hicks)*** **INFORMATION**

Staff will provide a summary of the discussion at the annual SANDAG Board of Directors Retreat held February 8 - 10, 2017.

REPORTS

- +14. **PROPOSED SANDAG DATA ACCURACY AND MODELING WORK PLAN (Ray Major)*** **DISCUSSION/POSSIBLE ACTION**

Staff will provide background information on the SANDAG modeling process. The Board of Directors is asked to provide feedback on the proposed work plan for strengthening accuracy, quality, and transparency in SANDAG data, analytics, and modeling programs.

- +15. **FY 2017 *TransNet* REVENUES REVISION AND FY 2018 - FY 2022 *TransNet* AND TRANSIT RELATED REVENUES (San Marcos Mayor Jim Desmond, Transportation Committee Chair; Dawn Vettese, Ray Major)*** **APPROVE**

The Transportation Committee recommends that the Board of Directors approve: (1) a revision to the FY 2017 *TransNet* revenues; and (2) the FY 2018 to FY 2022 estimates and apportionments for the Transportation Development Act, Federal Transit Administration, and *TransNet*.

- +16. **FIRST READING: REGIONAL TRANSPORTATION COMMISSION ORDINANCE NO. RTC- CO-2017-04: INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE TERM LIMITS (San Marcos Mayor Jim Desmond, Transportation Committee Chair; Ariana zur Nieden)*** **FIRST READING**

The Board of Directors, acting as the San Diego County Regional Transportation Commission (RTC), is asked to conduct the first reading of RTC Ordinance No. RTC-CO-2017-04, related to Independent Taxpayer Oversight Committee term limits, by reading the title and waiving full recitation of the ordinance for this and all future readings.

+17. **TransNet ENVIRONMENTAL MITIGATION PROGRAM ANNUAL STATUS REPORT (La Mesa Councilmember Kristine Alessio, Regional Planning Committee Vice Chair; Keith Greer)*** **INFORMATION**

Staff will provide the annual status update on the implementation of the *TransNet* Environmental Mitigation Program.

+18. **CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8 AND CONFERENCE WITH LEGAL COUNSEL REGARDING EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(A) - SAN DIEGO ASSOCIATION OF GOVERNMENTS V. DAN FLOIT (SUPERIOR COURT CASE NO. 37-2016-0009651-CU-EI-CTL) – PROPERTY TO BE ACQUIRED FOR THE MID-COAST CORRIDOR TRANSIT PROJECT (Chip Willett, Bender Rosenthal; Bruce Beach, Best Best & Krieger; Donna Desmond, Donna Desmond Associates; John Haggerty, Ryan Kohut)**

The Board of Directors will be briefed by the SANDAG real property negotiation team and legal counsel on the status of negotiations with Armstrong Garden Center regarding the price and terms of payment of a potential settlement of claims related to real property located at 1350 West Morena Boulevard, San Diego, CA 92110 (Assessor Parcel No. 436-180-14), for use by SANDAG to construct the Mid-Coast Corridor Transit Project.

+19. **CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8 – PROPERTY TO BE ACQUIRED FOR THE MID-COAST CORRIDOR TRANSIT PROJECT (Chip Willett, Bender Rosenthal; Brad Kuhn, Nossaman; John Haggerty, Ryan Kohut)**

The Board of Directors will be briefed by the SANDAG real property negotiation team on the status of negotiations with the La Jolla Colony Community Association, regarding the price and terms of payment of a potential settlement of claims related to real property generally located on the east side of Interstate 5 west of Charmant Drive, San Diego, CA 92122 (Assessor Parcel Nos. 347-131-16, 347-380-03, 347-380-04, 347-380-05), for use by SANDAG to construct the Mid-Coast Corridor Transit Project.

20. **CONTINUED PUBLIC COMMENTS**

If the five speaker limit for public comments was exceeded at the beginning of this agenda, other public comments will be taken at this time. Subjects of previous agenda items may not again be addressed under public comment.

21. **UPCOMING MEETINGS** **INFORMATION**

The next Board Policy meeting is scheduled for Friday, March 10, 2017, at 10 a.m. The next Board Business meeting is scheduled for Friday, March 24, 2017, at 9 a.m.

22. ADJOURNMENT

+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item



BOARD OF DIRECTORS DISCUSSION AND ACTIONS

JANUARY 27, 2017

Chair Ron Roberts (Supervisor, County of San Diego) called the meeting of the SANDAG Board of Directors to order at 9:09 a.m.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Mayor John Minto (Santee), and a second by Mayor Jim Desmond (San Marcos), the Board of Directors approved the minutes from the December 16, 2016, Board Business meeting. Yes – Chair Roberts, Vice Chair Terry Sinnott (Mayor, Del Mar), Mayor Matt Hall (Carlsbad), Mayor Richard Bailey (Coronado), Mayor Bill Wells (El Cajon), Mayor Catherine Blakespear (Encinitas), Mayor Sam Abed (Escondido), Mayor Serge Dedina (Imperial Beach), Councilmember Kristine Alessio (La Mesa), Councilmember Jerry Jones (Lemon Grove), Mayor Steve Vaus (Poway), Councilmember Lorie Zapf (City of San Diego A), Council President Myrtle Cole (City of San Diego B), Mayor Desmond, Mayor Minto, Councilmember David Zito (Solana Beach), Mayor Judy Ritter (Vista), and Supervisor Dianne Jacob (Chair, County of San Diego) (weighted vote, 94.44%). No – None (weighted vote, 0%). Abstain – Oceanside (weighted vote, 5.56%). Absent – Chula Vista and National City.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Consul General Marcela Celorio expressed her commitment to the partnership between Mexico and SANDAG and the importance of open communications.

Clive Richard, a member of the public, spoke regarding the need for more effective public transit service in the region.

3. ACTIONS FROM POLICY ADVISORY COMMITTEES, INCLUDING CALIFORNIA ENVIRONMENTAL QUALITY ACT EXEMPTION APPROVALS FOR THE ENCINITAS COASTAL RAIL TRAIL SEGMENT 39C AND PERSHING BIKEWAY PROJECTS (APPROVE)

This report summarized the actions taken by the Policy Advisory Committees since the last Board Business Meeting, including California Environmental Quality Act exemption approvals for the Encinitas Coastal Rail Trail Segment 39C and Pershing Bikeway projects. The Board of Directors was asked to ratify these actions.

Action: Upon a motion by Councilmember Alessio, and a second by Mayor Wells, the Board of Directors approved Item No. 3. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Mary Salas (Chula Vista), Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jerry Kern (Oceanside), Mayor Ron Morrison (National City),

Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob (weighted vote, 100%). No – None (weighted vote, 0%). Abstain – None (weighted vote, 0%). Absent – None.

CONSENT

4. APPROVAL OF PROPOSED CONTRACT AWARD (APPROVE)

The Board of Directors was asked to authorize the Executive Director to execute a contract award for the South Bay *Rapid* (Segment 3) Project.

6. REPORT ON MEETINGS AND EVENTS ATTENDED ON BEHALF OF SANDAG (INFORMATION)

Board members provided brief reports orally or in writing on external meetings and events attended on behalf of SANDAG since the last Board Business meeting.

7. REPORT SUMMARIZING DELEGATED ACTIONS TAKEN BY THE EXECUTIVE DIRECTOR (INFORMATION)

In accordance with various SANDAG Board Policies, this report summarized certain delegated actions taken by the Executive Director since the last Board Business meeting.

Action: Upon a motion by Mayor Morrison, and a second by Councilmember Jones, the Board of Directors approved Consent Items No. 4, 6, and 7. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jones, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob. No – None. Abstain – None. Absent – None.

5. FY 2016 AUDITED COMPREHENSIVE ANNUAL FINANCIAL REPORT (INFORMATION)

In accordance with SANDAG Bylaws, the FY 2016 Comprehensive Annual Financial Report audit has been completed and was provided for informational purposes. Additionally, in compliance with the Statement of Auditing Standards 114, this report included communication of certain matters from the independent auditor to the governing body.

Leanne Wallace, Finance Manager, introduced the item

Jennifer Farr, Davis & Farr, LLP, presented the item.

Action: Upon a motion by Mayor Abed, and a second by Mayor Morrison, the Board of Directors approved Item No. 5. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Kern, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob. No – None. Abstain – None. Absent – None.

CHAIR'S REPORT

8. EXECUTIVE DIRECTOR: FY 2017 STRATEGIC GOALS, MAJOR INITIATIVES, AND KEY SUCCESS INDICATORS* (APPROVE)

The Executive Committee recommended that the Board of Directors approve the FY 2017 Strategic Goals, Major Initiatives, and Key Success Indicators that would be used to evaluate the overall performance of the Executive Director.

Vice Chair Sinnott presented the item.

Action: Upon a motion by Mayor Desmond, and a second by Supervisor Jacob, the Board of Directors approved the FY 2017 Strategic Goals, Major Initiatives, and Key Success Indicators that would be used to evaluate the overall performance of the Executive Director, as amended. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jones, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob (weighted vote, 100%). No – None (weighted vote, 0%). Abstain – None (weighted vote, 0%). Absent – None.

REPORTS

9. PROPOSED 2017 LEGISLATIVE PROGRAM (APPROVE)

The Executive Committee recommended that the Board of Directors approve the proposed 2017 Legislative Program.

Vice Chair Sinnott introduced the item.

Victoria Stackwick, Principal Legislative Analyst, presented the item.

Clive Richard, a member of the public, spoke in support of the item.

Action: Upon a motion by Mayor Morrison, and a second by Councilmember Alessio, the Board of Directors approved the proposed 2017 Legislative Program. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jones, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob (weighted vote, 100%). No – None (weighted vote, 0%). Abstain – None (weighted vote, 0%). Absent – Encinitas.

10. ANNUAL REVIEW AND PROPOSED AMENDMENTS TO BOARD POLICIES AND BYLAWS (APPROVE)

The Executive Committee recommended that the Board of Directors: (1) approve the proposed SANDAG Bylaw and Board Policy amendments; (2) renew the annual delegation of authority to the Executive Director pursuant to Board Policy No. 003: Investment Policy; and (3) renew its approval of Board Policy No. 032: San Diego County Regional Transportation Commission Interest Rate Swap Policy.

Vice Chair Sinnott introduced the item.

John Kirk, General Counsel, presented the item.

Action: Upon a motion by Mayor Vaus, and a second by Mayor Abed, the Board of Directors approved the proposed SANDAG Bylaw and Board Policy amendments, renewed the annual delegation of authority to the Executive Director pursuant to Board Policy No. 003, and renewed its approval of Board Policy No. 032. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jones, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob (weighted vote, 100%). No – None (weighted vote, 0%). Abstain – None (weighted vote, 0%). Absent – None.

11. PROPOSED FY 2017 PROGRAM BUDGET AMENDMENT: ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES VEHICLE PROCUREMENTS (APPROVE)

The Transportation Committee recommended that the Board of Directors: (1) approve an amendment to the FY 2017 Program Budget (Overall Work Program Project No. 3321400) to accommodate for increased matching funds provided by grantees; and (2) accept the transfer of \$364,183.14 from Home of Guiding Hands and \$320,592.90 from the San Diego Metropolitan Transit System to fully fund their vehicle procurement projects.

Mayor Desmond, Transportation Committee Chair, introduced the item.

Danielle Kochman, Associate Regional Planner, presented the item.

Action: Upon a motion by Mayor Morrison, and a second by Mayor Minto, the Board of Directors approved an amendment to the FY 2017 Program Budget (Overall Work Program Project No. 3321400) to accommodate for increased matching funds provided by grantees, and accepted the transfer of \$364,183.14 from Home of Guiding Hands and \$320,592.90 from the San Diego Metropolitan Transit System to fully fund their vehicle procurement projects. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jones, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob (weighted vote, 100%). No – None (weighted vote, 0%). Abstain – None (weighted vote, 0%). Absent – None.

Chair Roberts adjourned to closed session at 10:28 a.m.

12. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL - SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2) – ONE POTENTIAL CASE

The Board of Directors was briefed on a claim filed against SANDAG by Seafaring Ventures, LLC alleging lost sales at the Claimant's "Spike Africa's" restaurant as a result of construction activities related to the Gaslamp Rapid Station.

Chair Roberts reconvened open session at 10:48 a.m.

John Kirk, General Counsel, reported the following out of closed session: on Item No. 12, the Board of Directors was briefed on the referenced claim, and the Board voted unanimously to reject the claim. Yes – Chair Roberts, Vice Chair Sinnott, Mayor Hall, Mayor Salas, Mayor Bailey, Mayor Wells, Mayor Blakespear, Mayor Abed, Mayor Dedina, Councilmember Alessio, Councilmember Jones, Mayor Morrison, Councilmember Kern, Mayor Vaus, Councilmember Zapf, Council President Cole, Mayor Desmond, Mayor Minto, Councilmember Zito, Mayor Ritter, and Supervisor Jacob (weighted vote, 100%). No – None (weighted vote, 0%). Abstain – None (weighted vote, 0%). Absent – None.

13. CONTINUED PUBLIC COMMENTS

There were no continued public comments.

14. UPCOMING MEETINGS

Please Note: The SANDAG Board of Directors Retreat scheduled for February 8-10, 2017, will be held at the following location:

Barona Resort
1932 Wildcat Canyon Road
Lakeside, CA 92040

The next Board Business meeting is scheduled for Friday, February 24, 2017, at 9 a.m.

15. ADJOURNMENT

Chair Roberts adjourned the meeting at 10:49 a.m.

**ATTENDANCE
 SANDAG BOARD OF DIRECTORS' MEETING
 JANUARY 27, 2017**

JURISDICTION	NAME	ATTEND OPEN SESSION	ATTEND CLOSED SESSION ITEM 12
City of Carlsbad	Matt Hall (Primary)	Yes	Yes
City of Chula Vista	Mary Salas (Primary)	Yes	Yes
City of Coronado	Richard Bailey (Primary)	Yes	Yes
City of Del Mar	Terry Sinnott, Vice Chair (Primary)	Yes	Yes
City of El Cajon	Bill Wells (Primary)	Yes	Yes
City of Encinitas	Catherine Blakespear (Primary)	Yes	Yes
City of Escondido	Sam Abed (Primary)	Yes	Yes
City of Imperial Beach	Serge Dedina (Primary)	Yes	Yes
City of La Mesa	Kristine Alessio (Primary)	Yes	Yes
City of Lemon Grove	Jerry Jones (Primary)	Yes	Yes
City of National City	Ron Morrison (Primary)	Yes	Yes
City of Oceanside	Jim Wood (Primary)	Yes	Yes
City of Poway	Steve Vaus (Primary)	Yes	Yes
City of San Diego – A	Lorie Zapf (1st Alt.)	Yes	Yes
City of San Diego – B	Myrtle Cole (Primary)	Yes	Yes
City of San Marcos	Jim Desmond (Primary)	Yes	Yes
City of Santee	John Minto (1st. Alt.)	Yes	Yes
City of Solana Beach	David Zito (Primary)	Yes	Yes
City of Vista	Judy Ritter (Primary)	Yes	Yes
County of San Diego – A	Dianne Jacob (Primary, Seat A)	Yes	Yes
County of San Diego - B	Ron Roberts, Chair (Primary, Seat B)	Yes	Yes
Caltrans	Dara Wheeler (2nd. Alt.)	Yes	
MTS	Harry Mathis (Primary)	Yes	
NCTD	Ed Gallo (1st Alt.)	Yes	
Imperial County	Sup. John Renison (Primary)	No	
U.S. Dept. of Defense	Joe Stuyvesant (Primary)	Yes	
San Diego Unified Port District	Garry Bonelli (Primary)	Yes	
San Diego County Water Authority	Mark Muir (Primary)	No	
Mexico	Marcela Celorio (Primary)	Yes	
Southern California Tribal Chairmen's Association	Cody Martinez (Primary)	No	



ACTIONS FROM POLICY ADVISORY COMMITTEES

File Number 8000100

Introduction

The following actions were taken by the Policy Advisory Committees since the last Board of Directors Business meeting.

Recommendation

The Board of Directors is asked to ratify the actions of the Policy Advisory Committees.

BORDERS COMMITTEE (January 27, 2017)

The Borders Committee did not take any actions or make any recommendations at this meeting.

TRANSPORTATION COMMITTEE MEETING (February 3, 2017)

The Transportation Committee took the following action:

- Recommended that the Board of Directors approve the reallocation of Cycle 3 *TransNet* Active Transportation Grant Program funds to the next highest ranked projects able to accept funds and complete projects as proposed in the original grant applications, and adopt SANDAG Resolution No. 2017-16, approving a revision to the FY 2016 Transportation Development Act Funds Article 3 Claims.

REGIONAL PLANNING COMMITTEE (February 3, 2017)

The Regional Planning Committee did not take any actions or make any recommendations at this meeting.

EXECUTIVE COMMITTEE MEETING (February 10, 2017)

The Executive Committee took the following action:

- Approved the draft agendas for the February 24, 2017, Board Business meeting, as amended, and the March 10, 2017, Board Policy meeting.

TRANSPORTATION COMMITTEE MEETING (February 17, 2017)

The Transportation Committee took the following action and made the following recommendations:

- Approved Amendment No. 2 – Administrative Modification to the 2016 Regional Transportation Improvement Program.

- Recommended that the Board of Directors approve proposed amendments to the *TransNet* Extension Ordinance and related changes to the Independent Taxpayer Oversight Committee Bylaws.
- Recommended that the Board of Directors approve a revision to the FY 2017 *TransNet* revenues, and approve the FY 2018 to FY 2022 estimates and apportionments for the Transportation Development Act, Federal Transit Administration, and *TransNet*. The Transportation Committee also requested that staff strengthen the description of the methodology in the written report to the Board of Directors, and return with an update on the *TransNet* and transit-related revenue estimates to the Transportation Committee every six months.
- Asked staff to return with an updated report addressing the comments raised by the Transportation Committee, including current and anticipated usage of freeway motorist programs and associated cost-savings and expenditures.

PUBLIC SAFETY COMMITTEE MEETING (February 17, 2017)

The Public Safety Committee did not take any actions or make any recommendations at this meeting.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Victoria Stackwick, (619) 699-6926, victoria.stackwick@sandag.org



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

AGENDA ITEM NO. 17-02-4

ACTION REQUESTED - APPROVE

APPROVAL OF PROPOSED CONTRACT AWARD

File Number 8000100

Introduction

Pursuant to Board direction, construction and professional services awards associated with an original solicitation valued at \$5 million or more require approval by the Board of Directors.

Discussion

Inland Rail Trail (San Marcos to Vista Segment)

In December 2016, SANDAG conducted an invitation for bids to construct approximately four miles of a planned six-mile, Class I bicycle facility located between the intersection of North Melrose Drive and West Bobier Drive in Oceanside to the San Diego County/San Marcos boundary at Cherimoya Drive. As required by federal provisions, an engineer's estimate was prepared by SANDAG prior to the solicitation, resulting in an estimated amount of \$12.71 million.

Four bids were received; the lowest bidder was Pulice Construction, Inc. A summary of bids is included as Attachment 1. Staff is recommending approval of a contract award to Pulice Construction, Inc. with a term of 300 working days and a contract amount of \$13.52 million. The 6.4 percent difference between the lowest bid and the engineer's estimate is the result of underestimation primarily in the areas of clearing and grubbing, planting, and trail lighting. The FY 2017 Program Budget includes funding for this proposed contract in Capital Improvement Project No. 1223023: Inland Rail Trail. The additional funding needed to award this contract will come from the Inland Rail Trail Corridor funds.

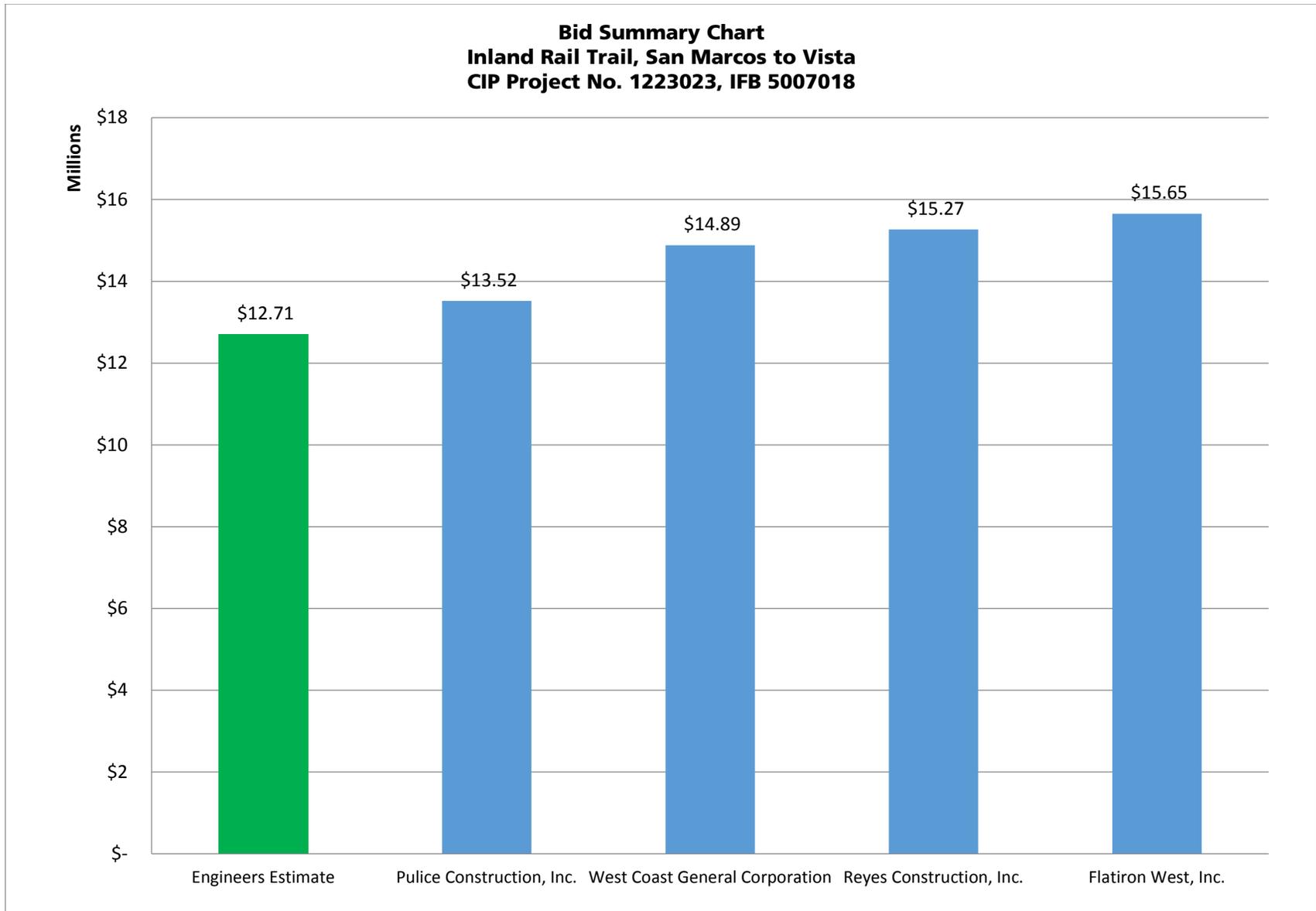
Recommendation

The Board of Directors is asked to authorize the Executive Director to execute a contract award to construct the San Marcos to Vista Segment of the Inland Rail Trail Project, as detailed herein.

GARY L. GALLEGOS
Executive Director

Attachment: 1. Bid Summary Chart: Inland Rail Trail, San Marcos to Vista

Key Staff Contact: Laura Coté, (619) 699-6947, laura.cote@sandag.org





**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – APPROVE

**REVISED REGIONAL ACTIVE TRANSPORTATION PROGRAM
FUNDING RECOMMENDATIONS**

File Number 3300200

Introduction

The California Active Transportation Program (ATP) is a competitive funding program administered by the California Transportation Commission (CTC) that encourages increased use of active modes of transportation such as biking and walking. Funding for each cycle is competitively awarded in stages, including the regional competition conducted by SANDAG.

Discussion

At its December 16, 2016, meeting, the Board of Directors certified the results of the San Diego Regional ATP competition, including the proposed ATP Application Ranking and Funding Recommendations. Subsequent to the meeting, the CTC identified an additional \$657,000 in federal funding for distribution through the Cycle 3 San Diego Regional ATP. The revised total amount of funding for the San Diego region is approximately \$9.6 million (\$5.14 million in 2019-2020 and \$4.48 million in 2020-2021).

The Regional ATP evaluation process resulted in application rankings with 4 of the 23 projects being recommended for full funding, and 1 project from the City of Carlsbad being recommended for partial funding (approximately \$1.1 million of the \$3.7 million requested). Consistent with these rankings, staff recommends that the additional ATP funds be allocated to the Carlsbad project. With these funds, the project remains partially funded through the ATP with approximately \$1.8 million in ATP funds and \$1.9 million in local matching funds. The revised Funding Recommendations are shown in Attachment 2.

In conformance with the CTC guidelines, a minimum of 25 percent of the funds distributed through the San Diego Regional ATP must benefit disadvantaged communities. With this additional funding, approximately 82 percent (\$7.8 million) of the total regional ATP funding will benefit disadvantaged communities, which exceeds the minimum requirement.

Recommendation

The Board of Directors is asked to: (1) adopt SANDAG Resolution No. 2017-17, certifying the results of the San Diego Regional Active Transportation Program (ATP) competition, including the proposed ATP Application Ranking and revised Funding Recommendation (Attachment 2); and (2) recommend that the California Transportation Commission fund the proposed San Diego Regional ATP projects consistent with the revised Funding Recommendation.

Pending action by the Board of Directors to adopt Resolution No. 2017-17 (Attachment 1), SANDAG will submit its revised recommendations to the CTC. The CTC is scheduled to adopt the region's revised funding recommendations and contingency project list at its meeting on March 15-16, 2017.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Jenny Russo, (619) 699-7314, jenny.russo@sandag.org

Attachments: 1. Resolution No. 2017-17
2. Application Rankings, Revised Funding Recommendations, and Contingency List of Projects



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RESOLUTION NO. 2017-17

APPROVING THE PROPOSED LIST OF REGIONAL ACTIVE TRANSPORTATION PROGRAM PROJECTS AND REVISED FUNDING RECOMMENDATIONS TO THE CALIFORNIA TRANSPORTATION COMMISSION

WHEREAS, the Legislature and Governor of the State of California have provided funds for the Active Transportation Program under Senate Bill 99, Chapter 359, and Assembly Bill 101, Chapter 354; and

WHEREAS, the California Transportation Commission (CTC) has statutory authority for the administration of this grant program and established necessary procedures; and

WHEREAS, the CTC has required in its ATP Program Guidelines that Metropolitan Planning Organizations (MPOs) coordinate the competitive selection process to select projects to receive a portion of the ATP funding; and

WHEREAS, the San Diego Association of Governments (SANDAG), as the MPO for the San Diego region, conducted a competitive selection process for the distribution of ATP funds in the San Diego region; and

WHEREAS, the SANDAG competitive selection process resulted in a list of projects that were deemed to meet the requirements of the ATP Program Guidelines; and

WHEREAS, the CTC requires the Governing Body of the MPO to approve the proposed ranked list of Regional ATP projects and funding recommendations to the California Transportation Commission; and

WHEREAS, at the December 16, 2016, meeting the Board of Directors via Resolution No. 2017-13:

1. Certified that the San Diego Regional ATP competitive selection process was conducted in accordance with the CTC ATP Program Guidelines, including the use of a multidisciplinary advisory group as application evaluators; and

2. Attested the projects recommended for ATP funding per the San Diego Regional ATP competition included projects benefitting pedestrians, bicyclists, and students walking and cycling to school; and

3. Approved the proposed ranked list of ATP projects and funding recommendations to the CTC; and

4. Recommended the Contingency List of projects be used to reallocate ATP funds in the event a project initially recommended for funding is unable to allocate the awarded funds or obtain an extension within the timeframe identified by the CTC; and

WHEREAS, the CTC has identified an additional \$657,000 in ATP funding to be distributed through the San Diego Regional ATP competition; and

WHEREAS the distribution of additional ATP funds results in revised funding recommendations to the CTC; NOW THEREFORE

BE IT RESOLVED that the SANDAG Board of Directors:

1. Re-certifies that the San Diego Regional ATP competitive selection process was conducted in accordance with the CTC ATP Program Guidelines, including the use of a multidisciplinary advisory group as application evaluators; and
2. Re-attests the projects recommended for ATP funding per the San Diego Regional ATP competition include projects benefitting pedestrians and bicyclists, including students walking and cycling to school; and
3. Re-approves the proposed ranked list of ATP projects and approves the revised funding recommendations to the CTC; and
4. Re-recommends the Contingency List of projects be used to reallocate ATP funds in the event a project initially recommended for funding is unable to allocate the awarded funds or obtain an extension within the timeframe identified by the CTC.

PASSED AND ADOPTED this 24th of February, 2017.

CHAIR

ATTEST:

SECRETARY

MEMBER AGENCIES: Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, and County of San Diego.

ADVISORY MEMBERS: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, San Diego Unified Port District, San Diego County Water Authority, Southern California Tribal Chairmen's Association, and Mexico.

Application Rankings, Revised Funding Recommendations, and Contingency List of Projects

SANDAG ID No.	Applicant Name	Project Name	Total Grant Request	ATP Funding Recommendation	DAC?	Sum of Ranks	Final Rank
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Projects Recommended for Funding							
A13	National City	El Toyon - Las Palmas Regional Bicycle Boulevard	\$1,544,000	\$1,544,000	Yes	15	1
A14	National City	Euclid Avenue Bicycle and Pedestrian Enhancements	\$3,335,000	\$3,335,000	Yes	18	2
A9	Escondido	Juniper Elementary Bike/Pedestrian Improvements and SRTS Outreach	\$1,336,000	\$1,336,000	Yes	18	2
A10	Escondido	Escondido Creek Trail Bike Path Improvements Project	\$1,632,000	\$1,632,000	Yes	23	4
A3	Carlsbad ¹	Avenida Encinas Coastal Rail Trail and Pedestrian Improvements, Carlsbad	\$3,693,000	\$1,776,000	No	27	5
			\$11,540,000	\$9,623,000			

Projects Recommended as Contingency Projects							
A15	San Diego Association of Governments	Inland Rail Trail-City of Vista Segment	\$5,603,000	\$0	Yes	36	6
A12	National City	National City Safe Routes to School Pedestrian Enhancements	\$1,678,000	\$0	Yes	37	7
A6	El Cajon	Cajon Valley Union School District SRTS Plan (Phase 2)	\$500,000	\$0	Yes	47	8
A1	Chula Vista Elementary School District	Chula Vista Rides to School!	\$202,000	\$0	Yes	47	8
A23	San Marcos	Barham Drive and Woodland Parkway Urban Trail Improvement Project	\$2,000,000	\$0	No	47	8
A4	Chula Vista	Class 2 Bike Lanes on Broadway in Chula Vista, CA	\$1,246,000	\$0	Yes	55	11
A8	Encinitas	North Coast Highway 101 Streetscape, Segment B	\$5,603,000	\$0	No	58	12
A7	Encinitas	Santa Fe Drive Corridor Bike and Pedestrian Improvements	\$996,000	\$0	No	59	14
A11	Imperial Beach	Imperial Beach Boulevard Improvement Project and Safe Routes to Schools	\$2,570,000	\$0	Yes	58	12
A2	Carlsbad	Carlsbad Blvd and Cannon Rd Bicycle and Pedestrian Improvements, Carlsbad	\$2,526,000	\$0	No	61	15
A17	San Diego County	Woodside Avenue Sidewalks and Bike Lanes	\$6,724,000	\$0	Yes	77	16
A22	San Marcos	Woodland Park Middle School Safe Routes to School Improvements	\$1,232,000	\$0	No	85	18
A21	San Diego County	Rock Springs Road SRTS Sidewalks and Bike Lanes	\$1,717,000	\$0	Yes	84	17
A24	San Pasqual Tribal Government	San Pasqual Community Walking and Bicycle Path Project	\$5,177,000	\$0	Yes	91	19
A5	El Cajon	Chase Avenue Elementary School Safe Routes to School Improvements	\$489,000	\$0	Yes	97	20
A18	San Diego County	Allen School Road SRTS Pedestrian and Bicycle Improvement Project	\$2,055,000	\$0	No	108	21
A19	San Diego County	Buena Creek Road-Pedestrian Improvements to Sprinter-Transit Station	\$1,249,000	\$0	No	109	22
A20	San Diego County	Camino San Bernardo at Deer Ridge Road Traffic Signal Calming	\$499,000	\$0	No	110	23

Projects recommended for full funding
 Projects recommended for partial funding

¹ The City of Carlsbad has confirmed that partial funding will be accepted, the funds can be used effectively on the project, and the scope of the project will remain the same as the scope of the project in the original project application.

**Regional ATP Cycle 3 Project Rankings
Evaluator 1 Detailed Scores**

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1	2	3	4	5	6	7	8	9	10	Final Score	Rank
A1	Chula Vista Rides to School!	EEA	\$202,000.00	\$202,000.00	20	14	32	15	15	8	NA	20	0	15	139	2
A6	Cajon Valley Union School District SRTS Plan (Phase 2)	EEA	\$500,000.00	\$500,000.00	18	8	28	15	10	5	NA	10	0	15	109	14

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1A	1B	1C	1D	2A	2B	2C	2D	3A	3B	4	5	6	7	8	9	10	Final Score	Rank
A2	Carlsbad Blvd and Cannon Rd Bicycle and Pedestrian Improvements, Carlsbad	Infrastructure	\$7,576,000.00	\$2,526,000.00	6	8	8	4	8	15	14	8	3	3	6	10	5	10	6	0	0	114	12
A3	Avenida Encinas Coastal Rail Trail and Pedestrian Improvements, Carlsbad	Infrastructure	\$9,095,000.00	\$3,693,000.00	8	8	8	12	10	15	13	8	2	3	9	20	3	9	6	0	0	134	6
A4	Class 2 Bike Lanes on Broadway in Chula Vista, CA	Infrastructure	\$1,466,000.00	\$1,246,000.00	6	8	0	6	8	10	12	4	3	3	14	6	8	6	2	-5	10	101	16
A5	Chase Avenue Elementary School Safe Routes to School Improvements	Infrastructure	\$489,000.00	\$489,000.00	0	0	0	4	8	6	16	4	3	3	4	6	10	0	2	0	10	76	20
A7	Santa Fe Drive Corridor Bike and Pedestrian Improvements	Infrastructure	\$1,142,000.00	\$996,000.00	6	7	8	4	6	15	18	3	3	3	7	6	10	5	10	0	0	111	13
A8	North Coast Highway 101 Streetscape, Segment B	Infrastructure	\$9,038,000.00	\$5,603,000.00	8	4	8	10	8	15	16	4	2	3	10	14	2	8	10	0	0	122	8
A9	Juniper Elementary Bike/Pedestrian Improvements and SRTS Outreach	Infrastructure	\$1,386,000.00	\$1,336,000.00	0	8	7	12	12	13	17	6	3	3	11	16	9	4	8	0	10	139	2
A10	Escondido Creek Trail Bike Path Improvements Project	Infrastructure	\$1,632,000.00	\$1,632,000.00	6	5	8	8	8	13	18	6	3	3	15	16	8	0	8	0	10	135	5
A11	Imperial Beach Boulevard Improvement Project and Safe Routes to Schools	Infrastructure	\$3,533,000.00	\$2,570,000.00	0	8	6	4	8	15	15	5	3	1	11	12	4	8	8	0	10	118	11
A12	National City Safe Routes to School Pedestrian Enhancements	Infrastructure	\$2,028,000.00	\$1,678,000.00	0	0	8	6	12	13	13	4	3	3	14	16	7	7	10	0	10	126	7
A13	El Toyon - Las Palmas Regional Bicycle Boulevard	Infrastructure	\$1,919,000.00	\$1,544,000.00	8	8	5	10	8	13	16	5	3	3	13	14	9	7	10	0	8	140	1
A14	Euclid Avenue Bicycle and Pedestrian Enhancements	Infrastructure	\$3,960,000.00	\$3,335,000.00	8	8	7	10	8	15	15	6	3	3	12	16	3	6	10	0	8	138	4
A15	Inland Rail Trail-City of Vista Segment	Infrastructure	\$11,083,000.00	\$5,603,000.00	8	8	8	12	6	11	13	5	3	2	4	18	1	9	8	0	6	122	8
A17	Woodside Avenue Sidewalks and Bike Lanes	Infrastructure	\$7,724,000.00	\$6,724,000.00	0	6	6	4	8	12	13	4	3	2	7	6	0	5	8	0	6	90	18
A18	Allen School Road SRTS Pedestrian and Bicycle Improvement Project	Infrastructure	\$2,055,000.00	\$2,055,000.00	0	6	6	2	2	9	13	4	3	2	1	6	2	0	4	0	0	60	21
A19	Buena Creek Road-Pedestrian Improvements to Sprinter-Transit Station	Infrastructure	\$1,249,000.00	\$1,249,000.00	0	0	6	6	6	6	11	2	0	2	1	6	5	0	4	0	0	55	22
A20	Camino San Bernardo at Deer Ridge Road Traffic Signal Calming	Infrastructure	\$499,000.00	\$499,000.00	0	0	0	0	2	5	3	0	0	3	2	2	4	0	4	0	0	25	23
A21	Rock Springs Road SRTS Sidewalks and Bike Lanes	Infrastructure	\$1,717,000.00	\$1,717,000.00	0	6	6	6	6	10	13	4	0	2	9	6	6	0	6	0	10	90	18
A22	Woodland Park Middle School Safe Routes to School Improvements	Infrastructure	\$1,400,000.00	\$1,232,000.00	0	8	8	0	6	15	14	4	3	3	4	10	7	4	8	0	0	94	17
A23	Barham Drive and Woodland Parkway Urban Trail Improvement Project	Infrastructure	\$5,142,000.00	\$2,000,000.00	6	6	6	12	8	10	16	6	3	2	4	16	6	10	8	0	0	119	10
A24	San Pasqual Community Walking and Bicycle Path Project	Infrastructure	\$5,177,000.00	\$5,177,000.00	0	8	8	4	12	15	18	5	3	3	2	10	1	0	6	0	10	105	15

Green Boxes indicate objective scores provided by SANDAG Contracts and Procurement staff.
Blue Boxes indicate objective scores provided by SANDAG Technical Services Department staff.

**Regional ATP Cycle 3 Project Rankings
Evaluator 2 Detailed Scores**

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1	2	3	4	5	6	7	8	9	10	Final Score	Rank
A1	Chula Vista Rides to School!	EEA	\$202,000.00	\$202,000.00	16	12	30	13	5	0	NA	20	0	3	99	8
A6	Cajon Valley Union School District SRTS Plan (Phase 2)	EEA	\$500,000.00	\$500,000.00	17	12	30	12	18	0	NA	10	0	3	102	7

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1A	1B	1C	1D	2A	2B	2C	2D	3A	3B	4	5	6	7	8	9	10	Final Score	Rank
A2	Carlsbad Blvd and Cannon Rd Bicycle and Pedestrian Improvements, Carlsbad	Infrastructure	\$7,576,000.00	\$2,526,000.00	6	0	8	4	12	13	16	2	2	3	6	4	5	10	2	0	0	93	13
A3	Avenida Encinas Coastal Rail Trail and Pedestrian Improvements, Carlsbad	Infrastructure	\$9,095,000.00	\$3,693,000.00	8	8	8	12	8	13	14	7	2	3	9	6	3	9	2	0	0	112	4
A4	Class 2 Bike Lanes on Broadway in Chula Vista, CA	Infrastructure	\$1,466,000.00	\$1,246,000.00	6	8	0	6	12	10	10	2	1	1	14	6	8	6	2	-5	10	97	10
A5	Chase Avenue Elementary School Safe Routes to School Improvements	Infrastructure	\$489,000.00	\$489,000.00	0	0	0	4	10	12	13	2	2	2	4	4	10	0	2	0	10	75	17
A7	Santa Fe Drive Corridor Bike and Pedestrian Improvements	Infrastructure	\$1,142,000.00	\$996,000.00	6	8	8	4	12	13	15	0	2	0	7	2	10	5	7	0	0	99	8
A8	North Coast Highway 101 Streetscape, Segment B	Infrastructure	\$9,038,000.00	\$5,603,000.00	8	0	4	10	8	8	8	0	1	0	10	2	1	8	7	0	0	75	17
A9	Juniper Elementary Bike/Pedestrian Improvements and SRTS Outreach	Infrastructure	\$1,386,000.00	\$1,336,000.00	0	0	8	12	12	15	16	3	3	1	11	6	9	4	2	0	10	112	4
A10	Escondido Creek Trail Bike Path Improvements Project	Infrastructure	\$1,632,000.00	\$1,632,000.00	6	8	8	8	10	12	14	4	3	1	15	6	8	0	5	0	10	118	2
A11	Imperial Beach Boulevard Improvement Project and Safe Routes to Schools	Infrastructure	\$3,533,000.00	\$2,570,000.00	0	4	4	4	10	13	15	0	0	0	11	0	3	8	7	0	10	89	14
A12	National City Safe Routes to School Pedestrian Enhancements	Infrastructure	\$2,028,000.00	\$1,678,000.00	0	0	0	6	12	13	16	0	2	0	14	6	6	7	5	0	10	97	10
A13	El Toyon - Las Palmas Regional Bicycle Boulevard	Infrastructure	\$1,919,000.00	\$1,544,000.00	8	8	4	10	10	12	14	2	2	0	13	2	7	7	5	0	10	114	3
A14	Euclid Avenue Bicycle and Pedestrian Enhancements	Infrastructure	\$3,960,000.00	\$3,335,000.00	8	8	2	10	12	15	17	3	2	0	12	6	4	6	5	0	10	120	1
A15	Inland Rail Trail-City of Vista Segment	Infrastructure	\$11,083,000.00	\$5,603,000.00	8	8	4	12	8	12	14	2	2	0	4	4	2	9	7	0	10	106	6
A17	Woodside Avenue Sidewalks and Bike Lanes	Infrastructure	\$7,724,000.00	\$6,724,000.00	0	8	8	4	10	12	15	0	0	0	7	2	1	5	5	0	10	87	15
A18	Allen School Road SRTS Pedestrian and Bicycle Improvement Project	Infrastructure	\$2,055,000.00	\$2,055,000.00	0	8	8	2	4	7	8	0	0	0	1	2	2	0	5	0	0	47	23
A19	Buena Creek Road-Pedestrian Improvements to Sprinter-Transit Station	Infrastructure	\$1,249,000.00	\$1,249,000.00	0	0	8	6	6	9	11	0	0	0	1	2	5	0	5	0	0	53	21
A20	Camino San Bernardo at Deer Ridge Road Traffic Signal Calming	Infrastructure	\$499,000.00	\$499,000.00	0	0	0	0	4	10	12	0	0	0	2	6	9	0	5	0	0	48	22
A21	Rock Springs Road SRTS Sidewalks and Bike Lanes	Infrastructure	\$1,717,000.00	\$1,717,000.00	0	2	8	6	4	10	10	0	0	0	9	2	4	0	5	0	10	70	19
A22	Woodland Park Middle School Safe Routes to School Improvements	Infrastructure	\$1,400,000.00	\$1,232,000.00	0	8	8	0	8	12	16	3	2	0	4	2	7	4	2	0	0	76	16
A23	Barham Drive and Woodland Parkway Urban Trail Improvement Project	Infrastructure	\$5,142,000.00	\$2,000,000.00	6	8	8	12	6	11	15	2	1	0	4	2	6	10	5	0	0	96	12
A24	San Pasqual Community Walking and Bicycle Path Project	Infrastructure	\$5,177,000.00	\$5,177,000.00	0	0	0	4	10	12	15	0	0	0	2	2	0	0	2	0	10	57	20

Green Boxes indicate objective scores provided by SANDAG Contracts and Procurement staff.
Blue Boxes indicate objective scores provided by SANDAG Technical Services Department staff.

**Regional ATP Cycle 3 Project Rankings
Evaluator 3 Detailed Scores**

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1	2	3	4	5	6	7	8	9	10	Final Score	Rank
A1	Chula Vista Rides to School!	EEA	\$202,000.00	\$202,000.00	12	8	14	10	8	0	NA	20	0	12	84	17
A6	Cajon Valley Union School District SRTS Plan (Phase 2)	EEA	\$500,000.00	\$500,000.00	20	15	34	15	16	0	NA	10	0	15	125	4

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1A	1B	1C	1D	2A	2B	2C	2D	3A	3B	4	5	6	7	8	9	10	Final Score	Rank
A2	Carlsbad Blvd and Cannon Rd Bicycle and Pedestrian Improvements, Carlsbad	Infrastructure	\$7,576,000.00	\$2,526,000.00	6	8	8	4	12	15	15	2	3	0	6	12	4	10	8	0	0	113	8
A3	Avenida Encinas Coastal Rail Trail and Pedestrian Improvements, Carlsbad	Infrastructure	\$9,095,000.00	\$3,693,000.00	8	8	8	12	8	15	15	4	3	3	9	16	3	9	8	0	0	129	3
A4	Class 2 Bike Lanes on Broadway in Chula Vista, CA	Infrastructure	\$1,466,000.00	\$1,246,000.00	6	0	0	6	10	10	13	2	2	1	14	4	7	6	2	-5	10	88	15
A5	Chase Avenue Elementary School Safe Routes to School Improvements	Infrastructure	\$489,000.00	\$489,000.00	0	0	0	4	10	11	15	0	3	0	4	4	10	0	2	0	10	73	20
A7	Santa Fe Drive Corridor Bike and Pedestrian Improvements	Infrastructure	\$1,142,000.00	\$996,000.00	6	8	8	4	12	15	17	0	3	0	7	2	9	5	7	0	0	103	10
A8	North Coast Highway 101 Streetscape, Segment B	Infrastructure	\$9,038,000.00	\$5,603,000.00	8	4	4	10	8	15	15	4	3	0	10	2	1	8	7	0	0	99	12
A9	Juniper Elementary Bike/Pedestrian Improvements and SRTS Outreach	Infrastructure	\$1,386,000.00	\$1,336,000.00	0	8	8	12	12	15	18	4	3	3	11	20	9	4	4	0	10	141	1
A10	Escondido Creek Trail Bike Path Improvements Project	Infrastructure	\$1,632,000.00	\$1,632,000.00	6	8	2	8	12	13	17	2	3	3	15	16	8	0	7	0	10	130	2
A11	Imperial Beach Boulevard Improvement Project and Safe Routes to Schools	Infrastructure	\$3,533,000.00	\$2,570,000.00	0	4	4	4	6	15	18	0	0	0	11	0	2	8	7	0	10	89	14
A12	National City Safe Routes to School Pedestrian Enhancements	Infrastructure	\$2,028,000.00	\$1,678,000.00	0	0	8	6	12	15	18	0	3	3	14	10	7	7	10	0	10	123	5
A13	El Toyon - Las Palmas Regional Bicycle Boulevard	Infrastructure	\$1,919,000.00	\$1,544,000.00	8	8	0	10	6	12	16	4	3	2	13	10	8	7	10	0	5	122	6
A14	Euclid Avenue Bicycle and Pedestrian Enhancements	Infrastructure	\$3,960,000.00	\$3,335,000.00	8	8	0	10	6	15	16	4	3	2	12	10	3	6	10	0	5	118	7
A15	Inland Rail Trail-City of Vista Segment	Infrastructure	\$11,083,000.00	\$5,603,000.00	8	8	0	12	6	10	15	8	3	3	4	12	2	9	7	0	5	112	9
A17	Woodside Avenue Sidewalks and Bike Lanes	Infrastructure	\$7,724,000.00	\$6,724,000.00	0	8	8	4	6	15	17	0	0	2	7	4	0	5	7	0	5	88	15
A18	Allen School Road SRTS Pedestrian and Bicycle Improvement Project	Infrastructure	\$2,055,000.00	\$2,055,000.00	0	8	8	2	6	15	16	0	0	1	1	4	4	0	5	0	0	70	22
A19	Buena Creek Road-Pedestrian Improvements to Sprinter-Transit Station	Infrastructure	\$1,249,000.00	\$1,249,000.00	0	0	8	6	6	10	12	0	0	0	1	4	5	0	5	0	0	57	23
A20	Camino San Bernardo at Deer Ridge Road Traffic Signal Calming	Infrastructure	\$499,000.00	\$499,000.00	0	8	8	0	6	15	12	0	0	1	2	4	10	0	5	0	0	71	21
A21	Rock Springs Road SRTS Sidewalks and Bike Lanes	Infrastructure	\$1,717,000.00	\$1,717,000.00	0	8	8	6	6	15	18	0	0	1	9	4	6	0	5	0	10	96	13
A22	Woodland Park Middle School Safe Routes to School Improvements	Infrastructure	\$1,400,000.00	\$1,232,000.00	0	8	8	0	6	15	16	0	3	0	4	4	6	4	5	0	0	79	19
A23	Barham Drive and Woodland Parkway Urban Trail Improvement Project	Infrastructure	\$5,142,000.00	\$2,000,000.00	6	8	8	12	6	15	12	0	3	1	4	6	5	10	7	0	0	103	10
A24	San Pasqual Community Walking and Bicycle Path Project	Infrastructure	\$5,177,000.00	\$5,177,000.00	0	8	8	4	6	15	16	0	0	0	2	6	1	0	7	0	10	83	18

Green Boxes indicate objective scores provided by SANDAG Contracts and Procurement staff.
Blue Boxes indicate objective scores provided by SANDAG Technical Services Department staff.

**Regional ATP Cycle 3 Project Rankings
Evaluator 4 Detailed Scores**

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1	2	3	4	5	6	7	8	9	10	Final Score	Rank
A1	Chula Vista Rides to School!	EEA	\$202,000.00	\$202,000.00	20	14	32	15	17	10	NA	20	0	15	143	1
A6	Cajon Valley Union School District SRTS Plan (Phase 2)	EEA	\$500,000.00	\$500,000.00	20	13	30	15	15	5	NA	10	0	14	122	6

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1A	1B	1C	1D	2A	2B	2C	2D	3A	3B	4	5	6	7	8	9	10	Final Score	Rank
A2	Carlsbad Blvd and Cannon Rd Bicycle and Pedestrian Improvements, Carlsbad	Infrastructure	\$7,576,000.00	\$2,526,000.00	6	6	6	4	8	11	13	0	3	1	6	10	3	10	8	0	0	95	15
A3	Avenida Encinas Coastal Rail Trail and Pedestrian Improvements, Carlsbad	Infrastructure	\$9,095,000.00	\$3,693,000.00	8	4	2	12	4	10	13	2	1	1	9	14	2	9	8	0	0	99	13
A4	Class 2 Bike Lanes on Broadway in Chula Vista, CA	Infrastructure	\$1,466,000.00	\$1,246,000.00	6	8	0	6	12	10	15	0	3	3	14	16	9	6	2	-5	10	115	8
A5	Chase Avenue Elementary School Safe Routes to School Improvements	Infrastructure	\$489,000.00	\$489,000.00	0	0	5	4	12	11	16	0	3	3	4	8	10	0	2	0	10	88	17
A7	Santa Fe Drive Corridor Bike and Pedestrian Improvements	Infrastructure	\$1,142,000.00	\$996,000.00	6	6	8	4	12	13	13	0	3	3	7	2	9	5	7	0	0	98	14
A8	North Coast Highway 101 Streetscape, Segment B	Infrastructure	\$9,038,000.00	\$5,603,000.00	8	3	8	10	12	14	15	0	2	3	10	8	2	8	7	0	0	110	10
A9	Juniper Elementary Bike/Pedestrian Improvements and SRTS Outreach	Infrastructure	\$1,386,000.00	\$1,336,000.00	0	8	8	12	12	15	18	2	3	3	11	18	10	4	2	0	10	136	4
A10	Escondido Creek Trail Bike Path Improvements Project	Infrastructure	\$1,632,000.00	\$1,632,000.00	6	8	8	8	12	15	18	0	3	2	15	14	7	0	7	0	10	133	5
A11	Imperial Beach Boulevard Improvement Project and Safe Routes to Schools	Infrastructure	\$3,533,000.00	\$2,570,000.00	0	4	8	4	12	13	18	0	3	3	11	8	4	8	7	0	10	113	9
A12	National City Safe Routes to School Pedestrian Enhancements	Infrastructure	\$2,028,000.00	\$1,678,000.00	0	0	8	6	12	10	18	0	3	3	14	14	6	7	10	0	10	121	7
A13	El Toyon - Las Palmas Regional Bicycle Boulevard	Infrastructure	\$1,919,000.00	\$1,544,000.00	8	8	6	10	12	9	18	2	3	3	13	12	8	7	10	0	8	137	3
A14	Euclid Avenue Bicycle and Pedestrian Enhancements	Infrastructure	\$3,960,000.00	\$3,335,000.00	8	8	6	10	12	14	18	2	3	3	12	14	5	6	10	0	10	141	2
A15	Inland Rail Trail-City of Vista Segment	Infrastructure	\$11,083,000.00	\$5,603,000.00	8	6	4	12	10	6	15	2	2	3	4	12	1	9	7	0	5	106	11
A17	Woodside Avenue Sidewalks and Bike Lanes	Infrastructure	\$7,724,000.00	\$6,724,000.00	0	8	8	4	12	12	15	0	0	3	7	2	0	5	6	0	6	88	17
A18	Allen School Road SRTS Pedestrian and Bicycle Improvement Project	Infrastructure	\$2,055,000.00	\$2,055,000.00	0	8	8	2	6	10	10	0	3	2	1	2	3	0	4	0	0	59	21
A19	Buena Creek Road-Pedestrian Improvements to Sprinter-Transit Station	Infrastructure	\$1,249,000.00	\$1,249,000.00	0	0	6	6	8	4	8	0	0	2	1	2	4	0	4	0	0	45	23
A20	Camino San Bernardo at Deer Ridge Road Traffic Signal Calming	Infrastructure	\$499,000.00	\$499,000.00	0	0	2	0	6	7	10	0	0	2	2	6	8	0	4	0	0	47	22
A21	Rock Springs Road SRTS Sidewalks and Bike Lanes	Infrastructure	\$1,717,000.00	\$1,717,000.00	0	5	8	6	6	8	18	0	0	2	9	2	5	0	4	0	10	83	19
A22	Woodland Park Middle School Safe Routes to School Improvements	Infrastructure	\$1,400,000.00	\$1,232,000.00	0	8	8	0	10	15	15	2	3	3	4	10	7	4	4	0	0	93	16
A23	Barham Drive and Woodland Parkway Urban Trail Improvement Project	Infrastructure	\$5,142,000.00	\$2,000,000.00	6	8	3	12	10	11	14	2	2	3	4	10	6	10	5	0	0	106	11
A24	San Pasqual Community Walking and Bicycle Path Project	Infrastructure	\$5,177,000.00	\$5,177,000.00	0	8	8	4	12	10	18	0	2	3	2	2	1	0	2	0	10	82	20

Green Boxes indicate objective scores provided by SANDAG Contracts and Procurement staff.
Blue Boxes indicate objective scores provided by SANDAG Technical Services Department staff.

**Regional ATP Cycle 3 Project Rankings
Evaluator 5 Detailed Scores**

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1	2	3	4	5	6	7	8	9	10	Final Score	Rank
A1	Chula Vista Rides to School!	EEA	\$202,000.00	\$202,000.00	20	12	6	6	15	7	NA	20	0	10	96	19
A6	Cajon Valley Union School District SRTS Plan (Phase 2)	EEA	\$500,000.00	\$500,000.00	20	15	15	11	11	8	NA	10	0	12	102	16

SANDAG ID No.	Project Name	Type	Total Project Cost	Grant Request	1A	1B	1C	1D	2A	2B	2C	2D	3A	3B	4	5	6	7	8	9	10	Final Score	Rank
A2	Carlsbad Blvd and Cannon Rd Bicycle and Pedestrian Improvements, Carlsbad	Infrastructure	\$7,576,000.00	\$2,526,000.00	6	5	5	4	10	9	16	4	2	2	6	14	3	10	6	0	3	105	13
A3	Avenida Encinas Coastal Rail Trail and Pedestrian Improvements, Carlsbad	Infrastructure	\$9,095,000.00	\$3,693,000.00	8	6	6	12	10	13	16	7	3	3	9	18	2	9	8	0	8	138	1
A4	Class 2 Bike Lanes on Broadway in Chula Vista, CA	Infrastructure	\$1,466,000.00	\$1,246,000.00	6	6	0	6	10	10	13	4	0	3	14	20	9	6	6	0	10	123	6
A5	Chase Avenue Elementary School Safe Routes to School Improvements	Infrastructure	\$489,000.00	\$489,000.00	0	3	5	4	8	5	12	3	2	3	4	14	10	0	2	-5	10	80	23
A7	Santa Fe Drive Corridor Bike and Pedestrian Improvements	Infrastructure	\$1,142,000.00	\$996,000.00	6	7	6	4	8	8	13	4	2	2	7	14	9	5	6	0	3	104	14
A8	North Coast Highway 101 Streetscape, Segment B	Infrastructure	\$9,038,000.00	\$5,603,000.00	8	7	6	10	10	8	13	3	2	2	10	12	1	8	8	0	3	111	11
A9	Juniper Elementary Bike/Pedestrian Improvements and SRTS Outreach	Infrastructure	\$1,386,000.00	\$1,336,000.00	0	5	7	12	10	11	14	3	2	3	11	14	8	4	8	0	10	122	7
A10	Escondido Creek Trail Bike Path Improvements Project	Infrastructure	\$1,632,000.00	\$1,632,000.00	6	7	6	8	8	8	13	4	2	2	15	16	6	0	8	0	8	117	9
A11	Imperial Beach Boulevard Improvement Project and Safe Routes to Schools	Infrastructure	\$3,533,000.00	\$2,570,000.00	0	7	5	4	10	12	14	5	3	3	11	12	4	8	6	0	8	112	10
A12	National City Safe Routes to School Pedestrian Enhancements	Infrastructure	\$2,028,000.00	\$1,678,000.00	0	0	7	6	12	9	17	5	2	3	14	16	6	7	6	0	9	119	8
A13	El Toyon - Las Palmas Regional Bicycle Boulevard	Infrastructure	\$1,919,000.00	\$1,544,000.00	8	7	5	10	8	13	15	4	3	3	13	14	8	7	6	0	6	130	2
A14	Euclid Avenue Bicycle and Pedestrian Enhancements	Infrastructure	\$3,960,000.00	\$3,335,000.00	8	6	5	10	10	11	15	6	3	3	12	14	3	6	6	0	7	125	4
A15	Inland Rail Trail-City of Vista Segment	Infrastructure	\$11,083,000.00	\$5,603,000.00	8	8	6	12	12	14	17	5	3	3	4	12	2	9	8	0	7	130	2
A17	Woodside Avenue Sidewalks and Bike Lanes	Infrastructure	\$7,724,000.00	\$6,724,000.00	0	6	7	4	10	9	16	4	2	2	7	16	0	5	8	0	10	106	12
A18	Allen School Road SRTS Pedestrian and Bicycle Improvement Project	Infrastructure	\$2,055,000.00	\$2,055,000.00	0	5	5	2	8	9	16	3	3	2	1	18	4	0	10	0	3	89	21
A19	Buena Creek Road-Pedestrian Improvements to Sprinter-Transit Station	Infrastructure	\$1,249,000.00	\$1,249,000.00	0	3	7	6	8	12	14	4	2	2	1	16	7	0	8	0	3	93	20
A20	Camino San Bernardo at Deer Ridge Road Traffic Signal Calming	Infrastructure	\$499,000.00	\$499,000.00	0	5	5	0	8	15	12	2	1	1	2	16	10	0	6	0	3	86	22
A21	Rock Springs Road SRTS Sidewalks and Bike Lanes	Infrastructure	\$1,717,000.00	\$1,717,000.00	0	5	6	6	8	14	14	3	2	2	9	14	5	0	6	0	9	103	15
A22	Woodland Park Middle School Safe Routes to School Improvements	Infrastructure	\$1,400,000.00	\$1,232,000.00	0	6	7	0	8	14	16	3	3	3	4	14	7	4	8	0	3	100	17
A23	Barham Drive and Woodland Parkway Urban Trail Improvement Project	Infrastructure	\$5,142,000.00	\$2,000,000.00	6	7	7	12	8	13	17	5	3	3	4	14	5	10	8	0	3	125	4
A24	San Pasqual Community Walking and Bicycle Path Project	Infrastructure	\$5,177,000.00	\$5,177,000.00	0	8	8	4	6	11	17	5	2	3	2	16	1	0	8	0	8	99	18

Green Boxes indicate objective scores provided by SANDAG Contracts and Procurement staff.
Blue Boxes indicate objective scores provided by SANDAG Technical Services Department staff.



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED - APPROVE

**TransNet ACTIVE TRANSPORTATION GRANT
PROGRAM: PROPOSED REALLOCATION OF FUNDS
FOR THIRD CYCLE OF GRANT FUNDING**

File Number 3300100

Introduction

In July 2015, the Board of Directors approved project awards for the third cycle of grant funding available through the *TransNet* Active Transportation Grant Program (ATGP).

In Cycle 3, \$390,000 was available for Non-Capital (Planning) projects. Eight applications were submitted in this category and ranked using criteria adopted by the Board of Directors. The rankings are shown in the table below; funding was awarded to the two top-ranked projects, with full funding awarded to the Coronado and Civic San Diego/City of San Diego projects shown in green and bold italic.

Recommendation

The Transportation Committee recommends that the Board of Directors: (1) approve the reallocation of Cycle 3 *TransNet* Active Transportation Grant Program funds to the next highest ranked projects able to accept funds and complete projects as proposed in the original grant applications; and (2) adopt SANDAG Resolution No. 2017-16, approving a revision to the FY 2016 Transportation Development Act Funds Article 3 Claims.

Original Awards to ATGP Non-Capital (Planning) Grant Proposals in Order of Rankings

Rank	Jurisdiction	Project Title	Funding Requested	Funding Awarded
1	Coronado	<i>Coronado Comprehensive Active Transportation Strategy</i>	<i>Request: \$90,000</i>	<i>\$90,000</i>
2	Civic San Diego/ City of San Diego	<i>Euclid and Market Complete Streets Master Plan</i>	<i>Request: \$300,000</i>	<i>\$300,000</i>
3	Chula Vista	Multi-Modal Pedestrian/ Bikeway Master Plan	Request: \$250,000	\$0
4	Santee	Santee Bike Master Plan Update	Request: \$125,000	\$0
5	Lemon Grove	Americans with Disabilities Act Transition Plan	Request: \$150,000	\$0
6	Del Mar	Coast to Crest Trail Railroad Underpass Design Study	Request: \$70,000	\$0
7	Del Mar	Del Mar Comprehensive Active Transportation Strategy	Request: \$85,000	\$0
8	Poway	Poway Comprehensive Active Transportation Strategy	Request: \$160,000	\$0
FULL FUNDING		PARTIAL FUNDING	NO FUNDING	

Discussion

In August 2016, Civic San Diego indicated that the matching funds to complete the Euclid and Market Complete Streets Master Plan might not be available. In January 2017, both Civic San Diego and the City of San Diego confirmed the loss of matching funds and resulting withdrawal of the project.

This frees up \$300,000 in ATGP funds initially approved for this project. Staff reached out to each of the next applicants in order of ranking to determine whether those jurisdictions would be able to accept the funds, provide the match funding, and complete the projects as proposed in the applications.

Chula Vista confirmed its interest in receiving full funding for the Multi-Modal Pedestrian/Bikeway Master Plan (\$250,000). That would leave \$50,000 in remaining funds, which would be insufficient to fully fund any of the remaining projects. Staff contacted the next jurisdiction, the City of Santee, to offer partial funding. The City of Santee declined the funds given that they were not able to complete the project as proposed in the application with the funds being offered. Next on the list, the City of Lemon Grove indicated that it would be able to accept the partial funding of \$50,000 and complete the Americans with Disabilities Act (ADA) Transition Plan as proposed in the application. Of its own accord (not under contract with SANDAG), Lemon Grove staff started work on initial components of the ADA Transition Plan, and to date has spent approximately \$100,000 in staff time and project costs. The additional \$50,000 of ATGP funding would be used toward tasks that were included in the grant application, including mapping facility upgrade needs and preparing cost estimates for facility rehabilitation, which would complete the project as originally proposed. Lemon Grove's match will remain consistent at \$10,000, thus increasing the match percentage from 6 percent, as originally proposed, to 17 percent.

Proposed Reallocation of ATGP Non-Capital (Planning) Grant Awards in Order of Rankings

Rank	Jurisdiction	Project Title – ATGP Non-Capital – Planning Category	Funding Request	Revised Funding Recommendation
2	Civic San Diego/City of San Diego	Euclid and Market Complete Streets Master Plan	Request: \$300,000 Match: \$100,000 Total: \$400,000	\$300,000 (project withdrawn)
3	Chula Vista	Multi-Modal Pedestrian/Bikeway Master Plan	Request: \$250,000 Match: \$100,000 Total: \$350,000	\$250,000
4	Santee	Santee Master Bike Plan Update	Request: \$125,000 Match: \$0 Total: \$125,000	partial funding declined
5	Lemon Grove	ADA Transition Plan	Request: \$150,000 Match: \$10,000 Total: \$160,000	partial funding accepted (\$50,000)
Total Proposed Reallocation for ATGP Non-Capital (Planning) Projects:				\$300,000
RECOMMENDED FOR FULL FUNDING		RECOMMENDED FOR PARTIAL FUNDING		FUNDING WITHDRAWN OR DECLINED

At its February 3, 2017, meeting, the Transportation Committee recommended that the Board of Directors approve the reallocation of Cycle 3 *TransNet* ATGP funds to the next highest ranked projects able to accept funds and complete projects as proposed in the original grant applications, and adopt Resolution No. 2017-16, approving a revision to the FY 2016 Transportation Development Act Funds Article 3 Claims (Attachment 1) to reallocate \$300,000 from the Civic San Diego/City of San Diego Euclid and Market Complete Streets Master Plan to the cities of Chula Vista and Lemon Grove as identified above.

Next Steps

Pending action by the Board of Directors, staff would finalize agreements with the local jurisdictions and report back on the final reallocation as part of a future quarterly update for the grant programs.

GARY L. GALLEGOS
Executive Director

Attachment: 1. Resolution No. 2017-16, Approving the Revision to FY 2016 Transportation Development Act Funds Article 3 Bicycle and Pedestrian Facilities and Programs

Key Staff Contact: Tracy Ferchaw, (619) 699-1977; tracy.ferchaw@sandag.org



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RESOLUTION NO. 2017-16

APPROVING THE REVISION TO FY 2016
TRANSPORTATION DEVELOPMENT ACT FUNDS
ARTICLE 3 BICYCLE AND PEDESTRIAN FACILITIES AND PROGRAMS

WHEREAS, the Transportation Development Act (TDA) claims to the Fiscal Year 2016 TDA funds pursuant to Chapter 4, Article 3, Section 99234 of the California Public Utilities Code (PUC) listed below require revisions; and

WHEREAS, pursuant to Section 29532 of the California Government Code (CGC), SANDAG has analyzed these claims and determined that they conform substantially to the provisions of the TDA of 1971, as amended; and

WHEREAS, SANDAG finds the claims to be consistent with the Regional Transportation Plan; NOW THEREFORE

BE IT RESOLVED by the SANDAG Board of Directors as follows:

1. That the Board, pursuant to CGC 29532 and PUC 99234, does hereby approve the revision to the claims as shown below:

Claim No.	Claimant	Previous Allocation	Adjustment +(-)	Revised Allocation
16011010	City of San Diego Euclid and Market Complete Streets Master Plan	\$300,000	-\$300,000	\$-0-
17011001	City of Chula Vista Multi- Modal Pedestrian/Bikeway Master Plan	\$-0-	+\$250,000	\$250,000
17011002	City of Lemon Grove ADA Transition Plan	\$-0-	+\$50,000	\$50,000

2. That the Board does hereby authorize the Executive Director to prepare and transmit allocation instructions and payment schedules to the San Diego County Auditor as are necessary and legal for payment of these claims.

PASSED AND ADOPTED this 24th day of February 2017.

CHAIR

ATTEST:

SECRETARY

MEMBER AGENCIES: Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, and County of San Diego.

ADVISORY MEMBERS: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, San Diego Unified Port District, San Diego County Water Authority, Southern California Tribal Chairmen's Association, and Mexico.



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED - APPROVE

**TransNet REGIONAL TRANSPORTATION CONGESTION
IMPROVEMENT PROGRAM FEE ADJUSTMENT**

File Number 1500100

Introduction

The *TransNet* Extension Ordinance requires the 18 cities and the County of San Diego to collect an exaction from the private sector for each new housing unit constructed in that jurisdiction (units constructed for extremely low-, very low-, low-, and moderate-income households may be exempted) for contribution to the Regional Transportation Congestion Improvement Program (RTCIP). RTCIP revenue is required to be used to construct improvements on the Regional Arterial System, such as new or widened arterials, traffic signal coordination and other traffic improvements, freeway interchange and related freeway improvements, railroad grade separations, and improvements required for express bus and rail transit.

Recommendation

The Board of Directors is asked to approve a 2 percent adjustment to the Regional Transportation Congestion Improvement Program, raising the minimum fee from \$2,357 to \$2,404.14, beginning July 1, 2017.

The *TransNet* Extension Ordinance (Ordinance) further requires SANDAG to adjust the RTCIP fee amount each year and states that in no event shall the adjustment be less than 2 percent per year. The purpose of this annual adjustment is to ensure the RTCIP retains its purchasing power to improve the Regional Arterial System.

The most recent annual adjustment raised the minimum RTCIP exaction by 2 percent, from \$2,310 to \$2,357 beginning July 1, 2016. Staff evaluated construction cost trends and relevant indices, and based on the analysis discussed below, a 2 percent fee adjustment is recommended to the Board of Directors for approval. This would raise the minimum RTCIP exaction from \$2,357 to \$2,404.14, beginning July 1, 2017.

Discussion

Background

The purpose of the RTCIP is to help ensure future development contributes its proportional share of the funding needed to pay for the Regional Arterial System and related regional transportation facility improvements, as defined in the most recent Regional Transportation Plan adopted by SANDAG. The RTCIP funding programs fall under the responsibility of the 19 local jurisdictions, which have established these programs under the state's Mitigation Fee Act. The jurisdictions must maintain their RTCIP funding programs and comply with specific administrative requirements in order to remain eligible for *TransNet* local streets and road funding.

Section 9 of the Ordinance requires the RTCIP exaction to be adjusted annually in an amount not to exceed the percentage increase set forth in the Engineering Construction Cost Index (CCI) published by the Engineering News Record (ENR), or a similar CCI.

Analysis of Construction Cost Indices

SANDAG staff evaluated changes recorded in the ENR Los Angeles CCI, which is based on monthly price changes in four areas: lumber, cement, structural steel, and labor. Because of its proximity, Los Angeles may reflect construction cost trends similar to those in San Diego. During the period that covers December 2015 to December 2016 (latest available data), the ENR Los Angeles CCI increased by 3.9 percent.

The general consensus is that construction costs will continue to increase in 2017, and will perhaps accelerate. That being said, there is uncertainty in costs in the construction industry due to factors such as strengthening domestic growth versus weakening international demand for construction materials. In addition, all indices show some volatility, and for that reason, it is important to take a look at the longer picture from 2008 when the RTCIP was instituted.

Utilizing an average annual RTCIP adjustment of 2 percent from 2008 to 2016, cumulative growth of the RTCIP has been 17.9 percent, with the ENR Los Angeles CCI seeing a similar 17.6 percent growth over the same period. This comparison over time shows that by maintaining the annual adjustment at the minimum 2 percent increase required, the RTCIP has not fallen behind the overall goal of keeping pace with inflation. In light of this, staff recommends a 2 percent increase that would raise the RTCIP fee to \$2,404.14, starting July 1, 2017.

Staff will continue monitoring the evolving performance of the economy. If there is a strong economic performance in the coming year, and interest rates increase in 2017, it could lead to a larger RTCIP increase for 2018.

Both the Cities/County Transportation Advisory Committee and the Independent Taxpayer Oversight Committee (ITOC) reviewed the proposed fee adjustment at their meetings on February 2 and February 8, 2017, respectively, and are in support of staff's recommendation.

Next Steps

In accordance with Ordinance provisions, each jurisdiction's RTCIP Funding Program must be submitted to the ITOC for review by April 1 of each year in order to remain eligible for *TransNet* local streets and road funding. The annual submittal of RTCIP funding programs by local jurisdictions is scheduled for review at the April 12, 2017, ITOC meeting.

GARY L. GALLEGOS
Executive Director

Key Staff Contacts: Ray Major, (619) 595-5668, ray.major@sandag.org
Veronica Serrano, (619) 595-5317, veronica.serrano@sandag.org



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – INFORMATION

**REPORT ON MEETINGS AND EVENTS ATTENDED
ON BEHALF OF SANDAG**

File Number 8000100

Since the last Board of Directors Business meeting, Board members participated in the following meetings and events on behalf of SANDAG. Key topics of discussion also are summarized.

January 30, 2017: Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency Board of Directors Meeting

Los Angeles, CA

National City Mayor Ron Morrison, SANDAG alternate representative to the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (LOSSAN) Board of Directors, attended the LOSSAN Board of Directors meeting. The LOSSAN Board continued discussions on the LOSSAN Annual Business Plan and potential fare restructuring relevant to the San Diego section of the Corridor. The Board also approved the selection of the 2017 Chair and Vice Chair for the LOSSAN Agency.

February 13-15, 2017: National Association of Regional Councils National Conference of Regions

Washington, DC

SANDAG Chair Ron Roberts, SANDAG Vice Chair Terry Sinnott, and National City Mayor Ron Morrison attended the National Association of Regional Councils (NARC) National Conference of Regions as the SANDAG representatives. NARC hosts this annual conference for Councils of Government, Metropolitan Planning Organizations, their leaders and board members, professional staff and local elected officials, diverse professionals, academics and private sector representatives. The SANDAG representatives participated in various sessions to assist NARC in determining key policy issues, including transportation, infrastructure, and autonomous and connected vehicles.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Victoria Stackwick, (619) 699-6926, victoria.stackwick@sandag.org



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – INFORMATION

**REPORT SUMMARIZING DELEGATED ACTIONS
TAKEN BY THE EXECUTIVE DIRECTOR**

File Number 8000100

Introduction

Various Board Policies require the Executive Director to report certain actions to the Board of Directors on a monthly basis or upon taking specified actions.

Discussion

Board Policy No. 003

Board Policy No. 003: Investment Policy, states that a monthly report of all investment transactions shall be submitted to the Board of Directors. Attachment 1 contains the reportable investment transactions for December 2016.

Board Policy No. 008

Section 6 of Board Policy No. 008: Legal Matters, authorizes the Office of General Counsel or outside counsel to file documents and make appearances on behalf of SANDAG in court proceedings.

Mid-Coast Corridor Transit Project

- On January 3, 2017, Nossaman filed, on behalf of SANDAG, an Amendment to Complaint in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 5, 2017, Nossaman filed, on behalf of SANDAG, Disclaimer of Interest of RPM Mortgage, in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 5, 2017, Nossaman filed, on behalf of SANDAG, Disclaimer of Interest of Movement Mortgage, in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 5, 2017, Nossaman filed, on behalf of SANDAG, Stipulation and Order for Withdrawal of Deposit of Probable Compensation, in the matter of SANDAG v. La Jolla Canyon Gardens LLC (Superior Court Case No. 2016-00025276).
- On January 6, 2017, Higgs Fletcher & Mack filed, on behalf of SANDAG, a Request for Dismissal, in the matter of SANDAG v. SA Marina, LLC et al. (Superior Court Case No. 2016-00017083).

- On January 6, 2017, Nossaman appeared on behalf of SANDAG, at the Motion for Order for Prejudgment Possession, in the matter CWI 2 La Jolla Hotel, LP (Superior Court Case No. 2016-00034231).
- On January 11, 2017, Nossaman filed, on behalf of SANDAG, Stipulation to Stay Action, in the matter of SANDAG v. PS Rose Canyon (Superior Court Case No. 2016-00013887).
- On January 17, 2017, Nossaman filed, on behalf of SANDAG, Case Management Statement, in the matter of SANDAG v. La Jolla Canyon Gardens (Superior Court Case No. 2016-00025276).
- On January 19, 2017, Nossaman appeared on behalf of SANDAG, at the Ex Parte Hearing Re Payment of First Appearance Fees for the Homeowner Defendants, in the matter Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 23, 2017, Nossaman filed, on behalf of SANDAG, Amendment to Complaint [Does 21-50], in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 23, 2017, Nossaman filed, on behalf of SANDAG, Notice of Deposit of Jury Fees, in the matter of SANDAG v. La Jolla Canyon Gardens (Superior Court Case No. 2016-00025276).
- On January 23, 2017, Nossaman filed, on behalf of SANDAG, Final Judgment in Condemnation, in the matter of SANDAG v. CWI 2 La Jolla Hotel, LP (Superior Court Case No. 2016-00034231).
- On January 25, 2017, Nossaman filed, on behalf of SANDAG, Amendment to Complaint [Does 51-70], in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 27, 2017, Best Best & Krieger appeared, on behalf of SANDAG, at a Case Management Conference in the matter of SANDAG v. Anna Avenue Associates, LLC et al. (Superior Court Case No. 2016-0009321).
- On January 30, 2017, Nossaman filed, on behalf of SANDAG, Proofs of Service of Summons, in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On January 31, 2017, Nossaman filed, on behalf of SANDAG, Amendment to Complaint [Does 71-75], in the matter of SANDAG v. Colony La Paz Condominium Association (Superior Court Case No. 2016-00030407).
- On February 16, 2017, Best Best & Krieger appeared on behalf of SANDAG, at the Ex Parte Application to Advance Hearing Date, in the matter SANDAG v. Floit (Superior Court Case No. 2016-00009651).

Downtown Stopover and Multiuse Facility

- On January 31, 2017, Andrew Rauch, APC filed, on behalf of SANDAG, an Ex Parte Application to Specially Set Petition and for Order Permitting Entry on Property, and Declaration in Support of Petition and Amount of Deposit (Superior Court Case No. 2017-0000601).

- On February 2, 2017, Andrew Rauch, APC appeared, on behalf of SANDAG, at the Ex Parte Hearing Regarding the Application to Specially Set the Hearing Date for Compensation for Entry and an Order Permitting Entry on Property (Superior Court Case No. 2017-0000601).
- On February 7, 2017, Andrew Rauch, APC filed, on behalf of SANDAG, a Supplemental Ex Parte Application to Specially Set Petition and for Order Permitting Entry on Property; and a Proposed Order Permitting Entry on Property and Specially Setting Dates for Hearing (Superior Court Case No. 2017-0000601).

Sorrento to Miramar Phase 1

- On February 1, 2017, Best Best & Krieger appeared, on behalf of SANDAG, at an Ex Parte Hearing regarding a Trial Continuance in the matter of Caryon Properties LLC v. SANDAG (Superior Court Case No. 2015-00011360)

Board Policy No. 017

Board Policy No. 017: Delegation of Authority, authorizes the Executive Director to take specified actions and requires those actions to be reported to the Board of Directors at the next regular meeting.

Section 4.1 of the Policy authorizes the Executive Director to enter into agreements currently not incorporated in the budget and to make other modifications to the budget in an amount of up to \$100,000 per transaction, so long as the overall budget remains in balance. Attachment 2 contains the action for January 2017.

Section 4.4 authorizes the Executive Director to establish an offer of just compensation for the purchase of real property based upon specified conditions. Consistent with Board Policy, the following offers were made.

- Mid-Coast Corridor Transit Project, Capital Improvement Program (CIP) Project No. 1257001

No.	Address	Nature of Activity (4.4)	Appraisal Amount	Offer Date & Amount
1.	5965 & 5975 Santa Fe Street, San Diego, CA 92109	Offer to Purchase Real Property	\$11,700,000	11/28/16, \$11,700,000

- North Park/Mid-City Robinson Bikeway Project, CIP Project No. 1223020

No.	Address	Nature of Activity (4.4)	Appraisal Amount	Offer Date & Amount
1.	2040 & 2044 Robinson Avenue, San Diego, CA 92104	Offer to Purchase Real Property	\$94,000	1/23/17, \$94,000

Board Policy No. 024

Board Policy No. 024: Procurement and Contracting – Construction Policy, Section 5.2, states that the Executive Director is delegated the authority to accept contracts on behalf of the Board and shall report to the Board all contract acceptances over \$25,000. The following construction project was accepted.

- In a letter dated January 17, 2017, HMS Construction Company was granted Acceptance for the Orange and Blue Line Traction Power Substation Improvements Project – Effective December 16, 2016 (CIP Project No. 1210040, Contract No. 5007500, JOC7500-01). The contract value was \$79,132.40.

GARY L. GALLEGOS
Executive Director

Attachments: 1. Monthly Activity for Investment Securities Transactions for December 1 through December 31, 2016
2. January 2017 Budget Transfers and Amendments

Key Staff Contact: André Douzdjian, (619) 699-6931, andre.douzdjian@sandag.org

MONTHLY ACTIVITY FOR INVESTMENT SECURITIES TRANSACTIONS FOR DECEMBER 1 THROUGH DECEMBER 31, 2016

Transaction Date	Maturity Date	Security	Par Value	Original Cost	Yield to Maturity at Cost
BOUGHT					
12/01/2016	11/30/2018	CANADIAN IMPERIAL BANK NY CD	\$ 4,425,000.00	\$ 4,421,548.50	1.78%
12/01/2016	11/30/2018	NORDEA BANK FINLAND NY CD	4,320,000.00	4,320,000.00	1.74%
12/01/2016	01/31/2020	US TREASURY NOTES	11,580,000.00	11,491,792.97	1.50%
12/09/2016	03/27/2019	FHLMC NOTES	3,615,000.00	3,816,066.30	1.28%
TOTAL BOUGHT:			<u>\$ 23,940,000.00</u>	<u>\$ 24,049,407.77</u>	<u>1.56%</u>
MATURED					
12/01/2016	12/01/2016	FHLMC SERIES	\$ 22,063.38	\$ 22,283.84	0.99%
12/01/2016	12/01/2016	FNMA SERIES	1,027.16	1,037.42	1.26%
TOTAL MATURED:			<u>\$ 23,090.54</u>	<u>\$ 23,321.26</u>	<u>1.00%</u>
SOLD					
12/01/2016	05/26/2017	NORDEA BANK FINLAND NY CD	\$ 4,320,000.00	\$ 4,320,000.00	1.15% ¹
12/01/2016	01/12/2018	TOYOTA MOTOR CREDIT CORP NOTE	300,000.00	299,589.00	1.50% ¹
12/01/2016	01/12/2018	TOYOTA MOTOR CREDIT CORP NOTE	2,500,000.00	2,515,650.00	1.22% ¹
12/01/2016	03/06/2018	EXXON MOBIL CORP NOTES	3,450,000.00	3,450,000.00	1.31% ¹
12/01/2016	03/19/2018	FHLB NOTES	6,500,000.00	6,497,985.00	0.89% ¹
12/01/2016	10/01/2018	FHLB GLOBAL NOTE	3,225,000.00	3,222,807.00	0.91% ¹
12/09/2016	09/30/2017	US TREASURY NOTES	3,850,000.00	3,832,404.30	0.87% ¹
TOTAL SOLD:			<u>\$ 24,145,000.00</u>	<u>\$ 24,138,435.30</u>	<u>1.04%</u>

¹ Proceeds from this sale were used to purchase new securities that would provide higher returns over a longer holding period.

JANUARY 2017 BUDGET TRANSFERS AND AMENDMENTS
in '000s

PROJECT NUMBER	PROJECT NAME	CURRENT BUDGET	NEW BUDGET	CHANGE	EXPLANATION
1130900	SuperLoop Station Repair	\$40.0	\$55.0	\$15.0	Funding to complete project provided by Metropolitan Transit System



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – INFORMATION

**OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL
MARKETS AND QUARTERLY FINANCE REPORT
FOR THE PERIOD ENDING DECEMBER 31, 2016**

File Number 8000180

Introduction

Staff provides quarterly reports intended to keep the Board of Directors informed about the latest developments in the financial markets, the economy, and sales tax revenues; the strategies being explored and implemented to minimize possible impacts to the *TransNet* Program; and a quarterly report on investments as required per Board Policy No. 003: Investment Policy.

Discussion

Market Review and Update

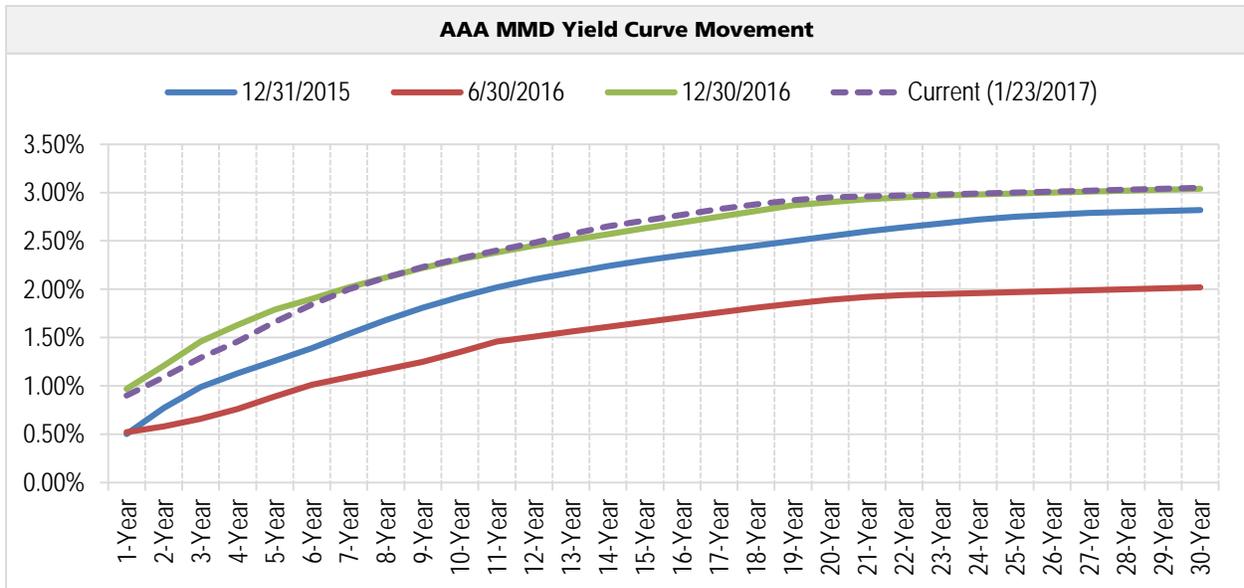
Overview

The election of President Donald Trump spurred a rally in the equity markets as investors anticipate a more business friendly environment as well as an emphasis on infrastructure projects under his administration. On January 25, 2017, the Dow Jones Industrial Average closed at 20,068, the first time it has ever closed above the 20,000 mark. Since President Trump's election, the Dow is up 9.9 percent.

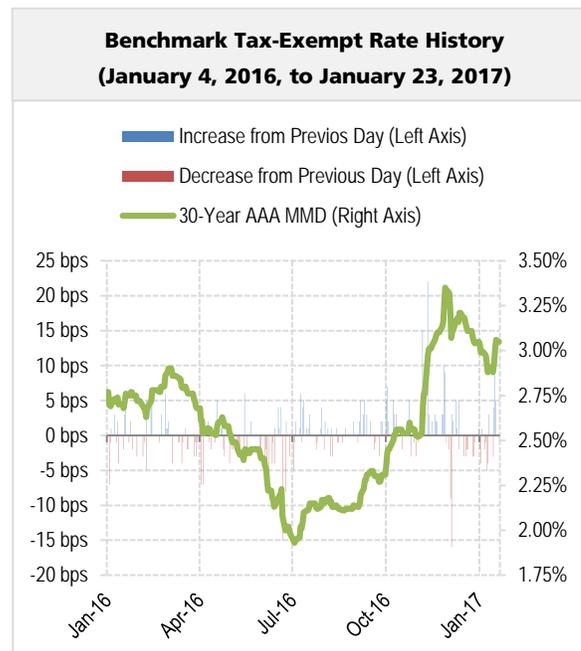
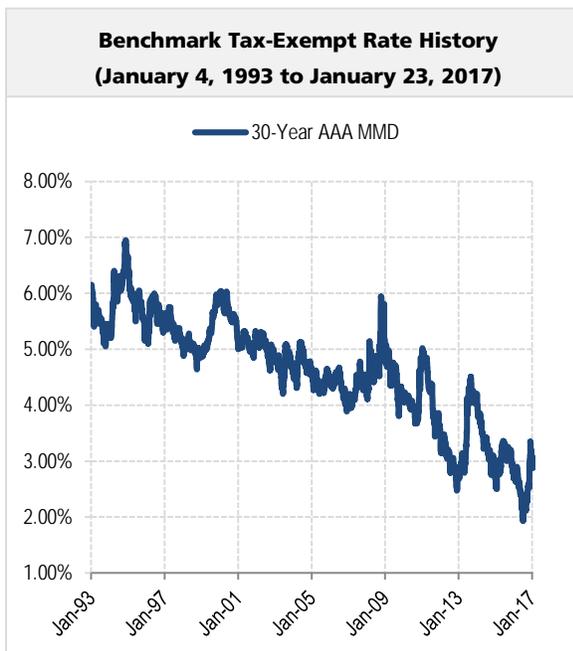
Abroad, central banks have continued their accommodative monetary policy to combat slow growth and low inflation. The European Central Bank kept its benchmark interest rate at 0 percent and continued its asset purchase program, as did the Bank of England. At the same time, the Bank of Japan continued its quantitative easing programs aimed at keeping the ten-year Japanese government bond yield near 0 percent and expanding money supply until inflation remains above the 2 percent target.

Third quarter U.S. Gross Domestic Product (GDP) growth was revised upward to 3.5 percent, more than double the growth seen in the second quarter. The labor market remained strong as 495,000 jobs were added from October through December, marking the 75th consecutive month of job gains, the longest streak on record. While inflation continued to run below the Federal Open Market Committee's (FOMC) target of 2 percent, the FOMC voted to raise the federal funds target rate at its December 2016 meeting, citing that it expects inflation to rise above 2 percent in the coming years. Based on projections released with its December statement, the FOMC anticipates raising rates three times in 2017.

Since the election, AAA MMD is up by 22 basis points (bps) on the short end and 52 bps on the long end. The increase has resulted as investors have shifted to equities in anticipation of a friendlier attitude toward business under the Trump administration. The current 30-year AAA MMD is 3.05 percent (as of January 23, 2017).

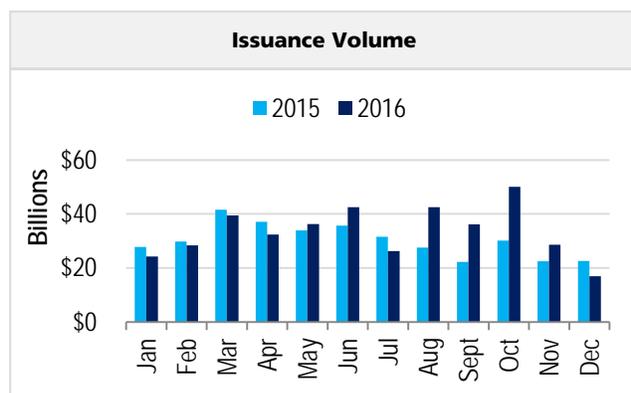


Tax-Exempt Municipal Bond Rates: AAA MMD				
Maturity	12/31/2015	6/30/2016	12/30/2016	1/23/2017
3-Year	0.99%	0.66%	1.46%	1.29%
5-Year	1.26%	0.89%	1.79%	1.66%
10-Year	1.92%	1.35%	2.31%	2.32%
20-Year	2.55%	1.89%	2.90%	2.95%
30-Year	2.82%	2.02%	3.04%	3.05%



Municipal Market Supply¹

Municipal bond supply was up 9.8 percent, or \$444.8 billion, in 2016 compared to \$405 billion in 2015. Supply was strong from August through October as issuers tried to get to market ahead of the U.S. presidential election in November and a potential Fed rate hike in December. Supply weakened in November and December as the post-election rate increase took several deals off the table. The transportation sector's issuance volume was \$50.9 billion, up 5.5 percent compared to 2015.



Interest Rate Forecasts

At their December 2016 meeting, FOMC officials voted to raise the target Federal Funds Rate range by 0.25 percent for the first time since December 2015. They cited continued strength in the job market and rising inflation as primary factors supporting the rate hike. Based on projection materials released with the December statement, FOMC officials anticipate three rate increases in 2017 – a sign of confidence the economy will continue to expand in 2017.

The table below provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. The 30-year U.S. Treasury rate is forecast to increase to 3.41 percent by the fourth quarter of 2017, and the ten-year U.S. Treasury rate is forecast to increase to 2.81 percent by the fourth quarter of 2017. The two-year U.S. Treasury rate is forecast to increase to 1.69 percent by the fourth quarter of 2017. Separate from these forecasts, Bloomberg calculates the probability of the FOMC raising the target Federal Funds Rate based on trading data. Based on the current market data, a rate hike is unlikely until the June 2017 meeting.

The Street's Interest Rate Forecast ²							
Forecast	1/23/17	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18
30-Year UST	2.99%	3.13%	3.23%	3.32%	3.41%	3.49%	3.62%
10-Year UST	2.40%	2.49%	2.61%	2.70%	2.81%	2.81%	3.01%
2-Year UST	1.15%	1.24%	1.39%	1.53%	1.69%	1.69%	2.05%
3M LIBOR	0.49%	1.08%	1.24%	1.41%	1.59%	1.59%	1.97%
Fed Funds Target Rate Upper Bound	0.75%	0.80%	1.00%	1.10%	1.30%	1.30%	1.65%
Fed Funds Target Rate Lower Bound	0.50%	0.53%	0.73%	0.85%	1.07%	1.07%	1.42%

¹ Issuance data from Bond Buyer

² Bloomberg survey compilation as of January 23, 2017

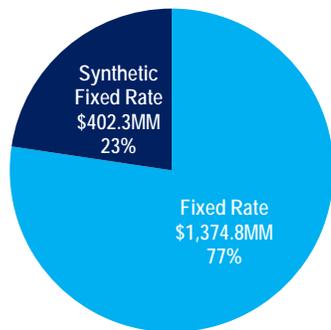
Debt Portfolio Overview and Update

Outstanding Debt Overview

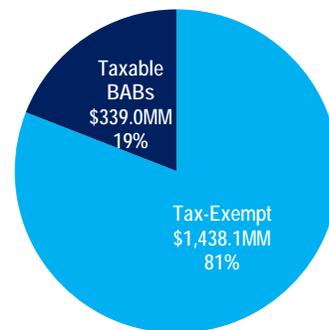
SANDAG has \$1.78 billion of outstanding long-term debt. Of the total debt portfolio, 23 percent consists of synthetic fixed-rate bonds (variable-rate bonds hedged with fixed-payer interest rate swaps) and the remaining 77 percent are fixed-rate bonds. A summary of the outstanding bonds is tabulated and graphically presented below.

Summary of Outstanding Debt						
Series	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
2008A	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008B	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008C	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008D	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2010A	Taxable BABs	Fixed-Rate	\$338,960,000	\$338,960,000	Make-Whole	4/1/2048
2010B	Tax-Exempt	Fixed-Rate	\$11,040,000	\$7,590,000	4/1/2020	4/1/2030
2012A	Tax-Exempt	Fixed-Rate	\$420,585,000	\$357,695,000	4/1/2022	4/1/2048
2014A	Tax-Exempt	Fixed-Rate	\$350,000,000	\$345,540,000	4/1/2024	4/1/2048
2016A	Tax-Exempt	Fixed-Rate	\$325,000,000	\$325,000,000	4/1/2026	4/1/2048
Total				\$1,777,085,000		

Outstanding Par Breakdown by Fixed and Hedged

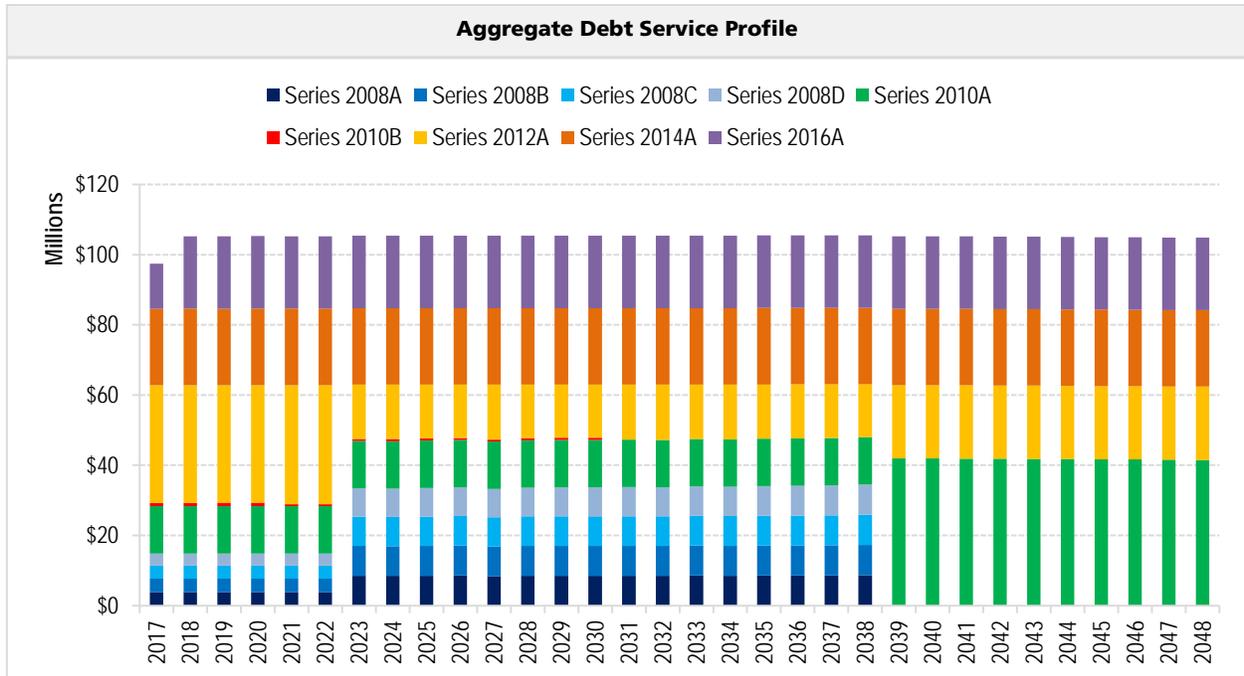


Outstanding Par Breakdown by Tax Status



Debt Service and Coverage

As seen in the figure below, SANDAG has an aggregate level debt service profile with approximately \$105.3 million in debt service per year through FY 2048. Debt service coverage, using sales tax receipts of \$278.2 million for the last 12 months ended December 2016, is 2.64 times. For every \$1.00 of debt service, SANDAG received \$2.64 of sales tax revenue providing ample coverage. This high debt service coverage, together with the level annual debt service payment, the fairly conservative debt portfolio, and a well-managed program are critical factors that support the SANDAG triple-A ratings from Fitch and Standard & Poor's.



Recent Variable-Rate Demand Bond and Swap Mark-to-Market Performance

SANDAG Board Policy No. 032: San Diego County Regional Transportation Commission Interest Rate Swap Policy, requires that an annual written description of the swaps and an evaluation of the risks associated with outstanding interest rate swaps are presented to the SANDAG Board of Directors for review on an annual basis. The last annual report was provided to the Board at its September 23, 2016, meeting. In addition, through this report, SANDAG provides information on recent variable-rate demand bond and swap mark-to-market performance on a quarterly basis. SANDAG Financial Advisor, Public Financial Management (PFM), performed a review of Board Policy No. 32 in October 2016 and proposed no changes. The Board of Directors renewed its approval of the Policy at its January 27, 2017, Board meeting.

SANDAG has \$402.3 million of outstanding variable-rate demand bonds (Series 2008 A, B, C, and D), as shown below. These variable-rate demand bonds (VRDBs) are backed by Standby Bond Purchase Agreements (SBPA) from certain financial institutions. The interest rate on these bonds resets weekly through a remarketing process.

Throughout 2016, the Securities Industry and Financial Markets Associations (SIFMA) Index (the benchmark short-term municipal index) increased as investors reduced their holdings in certain short-term securities as a result of Money Market Reform regulatory changes which were scheduled to be (and ultimately were) implemented in October 2016. Although, it is typically equal to 70 percent of the 1-Month London Interbank Offer Rate (LIBOR), SIFMA spiked to well over 150 percent of the 1-Month LIBOR leading up to October. Since then, SIFMA has begun to revert back to its historical levels relative to LIBOR. Most recently, SIFMA reset to 0.66 percent, which is 85 percent of the current LIBOR rate. Despite these relatively high SIFMA rates, SANDAG VRDBs continue to trade well compared to this benchmark.

SANDAG Series 2008ABCD VRDB Resets for the last twelve months ending December 31, 2016					
Series	SBPA Provider	Remarketing Agent	Reset Average	SIFMA Average	Spread to SIFMA
2008A	J.P. Morgan Chase Bank NA	Barclays Capital Inc.	0.40%	0.43%	-3 bps
2008B	J.P. Morgan Chase Bank NA	Goldman Sachs & Company	0.42%	0.43%	-1 bps
2008C	Mizuho Corporate Bank	J.P. Morgan Securities LLC	0.42%	0.43%	-1 bps
2008D	State Street	Stifel, Nicolaus & Company Inc.	0.41%	0.43%	2 bps

SANDAG also has \$402.3 million of fixed-payer interest rate swaps outstanding, the purpose of which is to hedge the interest rate variability associated with the \$402.3 million of variable-rate bonds. Additionally, SANDAG has \$313.2 million of basis swaps outstanding. Under the basis swaps, which become effective on April 1, 2018, when the existing fixed-payer swaps were originally scheduled to convert from the LIBOR to the SIFMA based indices, SANDAG will pay its counterparty a floating interest rate payment based upon the SIFMA Index and will receive a floating payment based upon 107.4 percent of three-month LIBOR. The market value of the SANDAG swap portfolio changes with interest rate fluctuations. The mark-to-market valuation, as of January 23, 2017, is approximately -\$73,521,061; meaning SANDAG would need to pay approximately \$73.5 million to terminate the entire swap portfolio in the current market. However, the swaps are performing as expected and currently there are no reasons that SANDAG would terminate the swaps. Additionally, SANDAG is not required to post collateral under the swap agreements.

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Swap Portfolio Overview								
Associated Series	SANDAG Pays	SANDAG Receives	Trade Date	Effective Date	Maturity Date	MTM Value (As of 1/23/17)	Notional Outstanding	Bank Counterparty
Series 2008	3.8165%	65% of USD-LIBOR 'til 04/18; SIFMA Swap Index thereafter	05/23/12	05/23/12	04/01/2038	(\$29,569,482)	\$134,100,000	Bank of America, N.A. (A1/A/A+)
Series 2008	3.8165%	65% of USD-LIBOR 'til 04/18; SIFMA Swap Index thereafter	05/23/12	05/23/12	04/01/2038	(\$29,569,482)	\$134,100,000	Goldman Sachs Mitsui Marine Derivative Products, L.P. (Aa2/AA+)
Series 2008	3.4100%	65% of USD-LIBOR	05/23/12	05/23/12	04/01/2038	(\$31,394,573)	\$134,100,000	Bank of America, N.A. (A1/A/A+)
Total Fixed Payer Swaps						(\$90,533,537)	\$402,300,000	
Series 2008	SIFMA Swap Index	107.4% of 3 Month LIBOR	03/19/09	04/01/18	04/01/2038	\$8,506,238	\$156,600,000	Barclays Bank PLC (A2/A-/A)
Series 2008	SIFMA Swap Index	107.4% of 3 Month LIBOR	03/19/09	04/01/18	04/01/2038	\$8,506,238	\$156,600,000	Barclays Bank PLC (A2/A-/A)
Total Index Conversion Swaps						\$17,012,476	\$313,200,000	
Total Combined						(\$73,521,061)	\$715,500,000	

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Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 3.78 percent. This cost can vary based upon swap performance and the cost of liquidity to support the variable-rate debt.

The 2008A-D bonds with the current swap rate and associated fees provide a cost of capital equal to 4.1 percent. The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89 percent. The 2010B tax-exempt bonds have a borrowing cost of 3.14 percent. The 2012A and 2014A bonds were sold at an all-in cost of 3.72 percent and 3.85 percent, respectively. The most recent Series 2016A bonds were sold at an all-in cost of 3.29 percent. Taken together, SANDAG has issued approximately \$1.89 billion in bonds, to accelerate project delivery, for a weighted average cost of 3.78 percent.

SANDAG's Weighted Average Cost of Capital Calculations					
<i>Synthetic Fixed Rate:</i>					
Series	Par Post '12 Refunding	Swap Rate	SBPA Fee	Remarketing Agent Fee	Cost of Capital
2008A	\$100,575,000	3.8165%	0.390%	0.06%	4.2665%
2008B	\$100,575,000	3.8165%	0.390%	0.06%	4.2665%
2008C1	\$67,050,000	3.8165%	0.320%	0.06%	4.1965%
2008C2	\$33,525,000	3.4100%	0.320%	0.06%	3.7900%
2008D	\$100,575,000	3.4100%	0.340%	0.06%	3.8100%
2008 Weighted Avg.					4.1010%
<i>Fixed Rate:</i>					
Series	Original Par	-	-	-	All-in TIC
2010A	\$338,960,000	-	-	-	3.8871%
2010B	\$11,040,000	-	-	-	3.1434%
2012A	\$420,585,000	-	-	-	3.7167%
2014A	\$350,000,000	-	-	-	3.8507%
2016A	\$325,000,000	-	-	-	3.2947%
Total Weighted Avg.					3.7794%

Commercial Paper

In addition to the long-term debt, SANDAG has a short-term commercial paper program supported by a Letter of Credit from Union Bank. The commercial paper program was authorized at \$100 million and has a current outstanding balance of \$26.9 million as of December 8, 2016. The paper was most recently remarketed out 97 days at a rate of 74 bps. The current Letter of Credit expires in September 2017.

Looking Ahead

SANDAG and its financing team submitted its formal application for a federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to support the Mid-Coast Corridor Transit Project in early November 2016. The U.S. Department of Transportation Council on Credit and Finance recommended to the Secretary approval of the TIFIA loan for the project in early January 2017; the Secretary subsequently approved the TIFIA loan, subject to acceptable agreement of terms and conditions, in an amount up to \$570.9 million. The TIFIA loan currently is expected to be successfully executed in March or April 2017.

Quarterly Investment Data

Included with this quarterly finance report through December 31, 2016, are: a summary of portfolio balances by institution (Attachment 1); a detail of portfolio balances by account (Attachment 2); and a detail of portfolio balances by investment type (Attachment 3) for all money under the direction or care of SANDAG, including funds of the San Diego County Regional Transportation Commission (RTC), SourcePoint, and the Automated Regional Justice Information System (ARJIS).

As of December 31, 2016, a total of \$1.01 billion was held by SANDAG in a number of investment accounts, in comparison to \$1.13 billion held in the previous quarter. The \$120 million decrease during the quarter primarily is due to the timing of *TransNet* sales tax receipts, *TransNet* debt service payments, *TransNet* allocation payments to other local governmental agencies, and the use of *TransNet* bond proceeds to fund current projects.³

Approximately \$17.2 million was held in nine U.S. Bank, N.A. accounts at the end of the quarter, which are used for operating purposes. Approximately \$992 million was invested in six institutions, as follows:

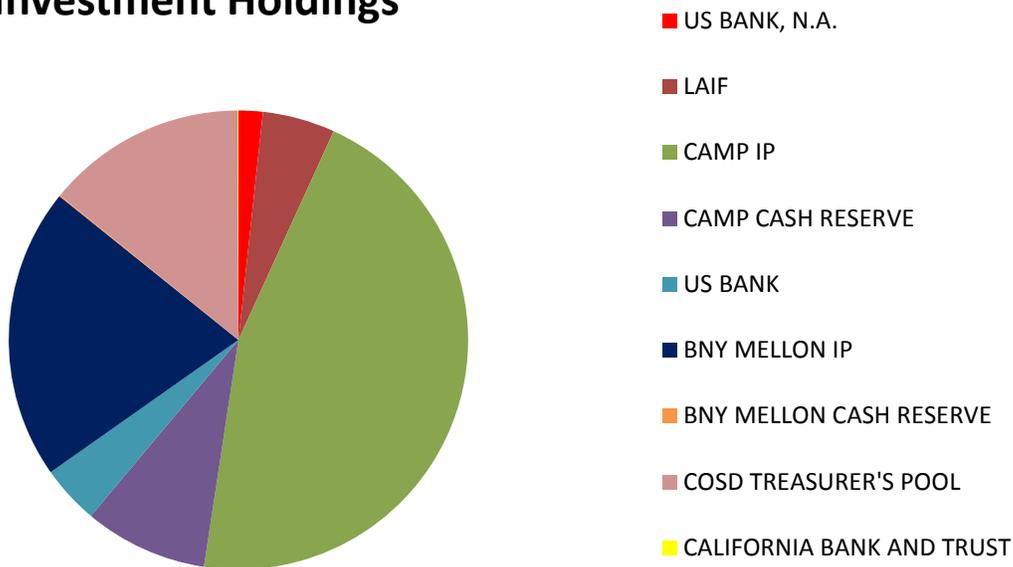
1. *State of California Local Agency Investment Fund (LAIF)* – State law allows local agencies (RTC and SANDAG) to invest up to \$65 million per agency in LAIF. These funds hold excess operating funds for the RTC and SANDAG. A total of approximately \$52 million was invested in LAIF, of which the RTC held the majority at \$51 million (sales tax funds) and SANDAG held \$1 million. These funds are highly liquid and may be accessed easily for immediate operating needs.
2. *California Asset Management Program (CAMP)* – These are funds administered by one of the two SANDAG investment managers, PFM Asset Management, LLC. The Cash Reserve Portfolio, totaling \$87.8 million, is used for the investment of the 2008 bond reserves; the 2008, 2010, 2012, 2014, and 2016 bond investments for future principal and interest payments; 2016 *TransNet* bond proceeds; and excess operating funds for Interstate 15 *FasTrak*®, State Route 125 (SR 125), ARJIS, Coronado Bridge Toll Funds, and *TransNet* sales tax funds not yet paid for *TransNet*-approved projects. In addition, CAMP uses the Individual Portfolio, totaling \$460.1 million, for the investment of SR 125 reserves for future projects; the 2008 and 2016 *TransNet* bond proceeds; the 2008, 2010, 2012, 2014, and 2016 bond investments for future principal and interest payments; and *TransNet* sales tax funds not yet paid to other local governmental agencies.

³ Due to rounding, the numbers below may not tie to the attached detail of investments.

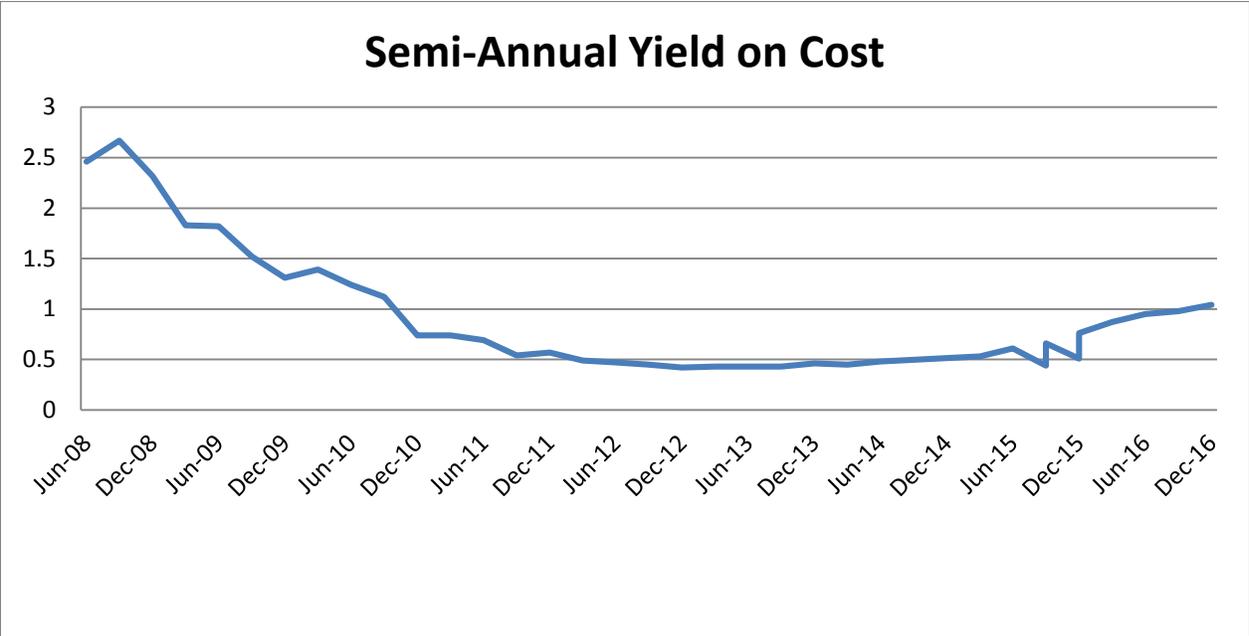
3. *U.S. Bank* – These funds, totaling approximately \$41.6 million, were held by U.S. Bank, Trustee for bond debt service payments and payment of interest on the short-term Commercial Paper Program, as part of the *TransNet* Program; for toll revenues of the SR 125 franchise; and for retention held through the completion of projects. Of this balance, \$26.8 million of the investments held by U.S. Bank is invested in North County Transit District auction rate securities purchased with commercial paper.
4. *The Bank of New York Mellon* – These are funds administered by one of the two SANDAG investment managers, Cutwater Asset Management Corp. The Individual Portfolio, totaling \$207.4 million, and the Cash Reserve Portfolio, totaling \$752,000, are used for the investment of excess *TransNet* sales tax revenue not yet paid for *TransNet*-approved projects.
5. *San Diego County Treasurer’s Pooled Money Fund* – These funds, totaling \$142.2 million, were held by the San Diego County Treasurer’s Pooled Money Fund. The funds consist of ARJIS, SANDAG Service Authority for Freeway Emergencies, SourcePoint, Interstate 15 *FasTrak*, *TransNet* sales tax revenues, and 2016 *TransNet* bond proceeds.
6. *California Bank and Trust* – There was \$564,900 on deposit with California Bank and Trust pursuant to capital project escrow retention agreements with various contractors.

The chart below provides a snapshot of the investment holding locations as of December 31, 2016.

Investment Holdings



As shown in the chart on the next page, as of December 31, 2016, the yield on cost of the portfolio was 1.04 percent, with a weighted average maturity of 392 days, in comparison to 0.98 percent and 399 days in the prior quarter.



The Finance Department has continued to implement the Board of Directors investment objectives of safety, liquidity, and return on investment for the SANDAG investment portfolio. These will continue to be important investment objectives for the future.

Certifications

The Director of Finance reports that this investment portfolio, together with the authorized short-term Commercial Paper Program, will provide the necessary liquidity to meet the expenditure requirements of SANDAG, RTC, ARJIS, and SourcePoint for the next six months. This portfolio is in compliance with state law and Board Policy No. 003.

The Local Economy and Sales Tax Revenues

The United States economy’s growth in 2016 was similar to that of 2015. The nation’s total value of goods and services produced, GDP, rose at an annual rate of 3.5 percent during the third quarter of 2016, rising from 1.4 percent in the second quarter. An advanced estimate for the fourth quarter of 2016 shows a 1.9 percent GDP growth rate. The slow economic growth has forced most forecasters to keep their economic growth estimate for 2016 at about 2 percent, which would be down from the 2.6 percent growth achieved in 2015.

The slow economic growth primarily has been attributed not to poor domestic conditions, but to troublesome international issues, such as BREXIT and sluggish Euro zone performance, slowing or negative growth in emerging economies, and continued or escalating strife in the Middle East.

To achieve a GDP growth rate of 3.25 percent or higher likely requires more jobs in total, more jobs of a higher quality, and more wages than have been produced over this past year. Job growth during 2015 averaged 230,000 new jobs per month, and in 2016 has averaged 180,000 monthly, continuing an unprecedented streak of positive monthly job growth dating back to October 2010. A total of 2.2 million jobs were created nationwide during 2016 (a growth rate of about 2%). The increase in job production pushed the unemployment rate down to 4.6 percent currently, essentially the same level as before the start of the Great Recession. Recently, the unemployment rate has

stabilized even with job growth, as the labor force has increased modestly.

Locally, the increase in jobs has outpaced the improved national rate. The San Diego region recorded 31,000 new payroll jobs in the last 12 months (November 2015-November 2016), a rise of 2.2 percent. In addition, the local unemployment rate dropped more than the nation's, falling to 4.3 percent, below the national level. Generally, wage growth has been sluggish to nonexistent during the recovery, but reports in the last several months have indicated that wages are starting to trend upward.

The improved trend for job growth is dampened by lingering concerns about the volatility of economic growth and political stability globally, as well as the yet-to-be-determined economic policies of the new administration. Additional concerns include weakness in wage growth and the average number of hours worked; recent signs have been positive, though wage gains since 2008 primarily have been accrued to high earners. These trends, combined with the types of jobs (primarily lower-paying) that have been created since the end of the Great Recession, have contributed to keeping real per-capita disposable income almost stagnant for the past decade, and only rising slowly in the past two years. This in turn, has led to weak growth in consumer spending, which makes up more than 70 percent of the economy and is a primary driver of sales tax revenue. While personal consumption expenditures have driven recent GDP gains, private investment and government expenditures have been flat. Additional economic headwinds are expected from the slowing of economic growth globally and in turn, the effect on the trade value of the dollar. Most of the United States' major trading partners continue to experience slower economic growth, including China, Japan, Europe, Mexico, Brazil, and Russia, and in turn, the trade value of the dollar is rising making our goods in these markets more expensive and reducing our exports, which provides a drag on the national economy.

These economic headwinds and volatility, as well as some potential structural changes, are affecting consumer spending habits. The National Retail Federation reports a 4 percent annual increase in holiday sales, in line with projections. Locally, taxable retail sales from October 2015 through September 2016 increased 2.2 percent, which is below the original 3.5 percent projected, but also lower than other regions in California. Much of the local slowdown is from the reduction in gas prices and relatively weak auto sales, which are slowing again after robust post-recession recovery. Gas prices have seemed to stabilize at a low level in the last two quarters, and the trend away from brick-and-mortar retail to online, as well as reduced cross-border retail activity from the decline in the Mexican Peso have been a drag on local retail sales. In light of the decline in the unemployment rate, increase in labor force, and small uptick in wages since last year, taxable sales could be expected to pick up as consumer confidence and economic status improve.

GARY L. GALLEGOS
Executive Director

Attachments: 1. SANDAG Summary of Portfolio Balances (by Institution) as of December 31, 2016
2. SANDAG Detail of Portfolio Balances (by Account) as of December 31, 2016
3. SANDAG Detail of Portfolio Balances (by Investment Type) as of December 31, 2016

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SANDAG
Summary of Portfolio Balances (by Institution)
as of December 31, 2016

Institution	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd. Avg. Days to Maturity
US BANK, N.A.	\$ 17,243,439.38	1.70%	\$ 17,243,439.38	100.00%	\$ -	N/A	1
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND	51,488,787.24	5.09%	51,488,787.24	100.00%	-	0.74%	171 **
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) INDIVIDUAL PORTFOLIO	460,881,805.83	45.57%	460,117,642.54	99.83%	(764,163.29)	1.14%	433
CAMP CASH RESERVE PORTFOLIO	87,793,414.46	8.68%	87,793,414.46	100.00%	-	0.72%	50 **
US BANK	41,623,862.26	4.12%	41,623,862.26	100.00%	-	0.55%	49
THE BANK OF NEW YORK (BNY) MELLON INDIVIDUAL PORTFOLIO	208,931,518.71	20.66%	207,436,267.69	99.28%	(1,495,251.02)	1.16%	600
BNY MELLON CASH RESERVE PORTFOLIO	752,274.42	0.07%	752,274.42	100.00%	-	0.00%	1
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	142,199,078.16	14.06%	142,199,078.16	100.00%	-	1.12%	401 **
CALIFORNIA BANK AND TRUST	564,910.42	0.06%	564,910.42	100.00%	-	0.05%	1
TOTAL	\$ 1,011,479,090.88	100.00%	\$ 1,009,219,676.57	99.78%	\$ (2,259,414.31)	1.04%	392

** Although average days to maturity is greater than one day, funds are available at par the same day.

Summary of Portfolio Balances (by Agency)

Agency	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd. Avg. Days to Maturity
SANDAG FUNDS	\$ 112,707,773.95	11.14%	\$ 112,501,861.30	99.82%	\$ (205,912.65)	0.78%	184
AUTOMATED REGIONAL JUSTICE INFORMATION SYSTEM FUNDS	8,645,819.98	0.85%	8,645,819.98	100.00%	-	0.84%	147
SOURCEPOINT FUNDS	220,914.62	0.02%	220,914.62	100.00%	-	1.12%	308
CORONADO BRIDGE TOLL FUNDS	274,820.14	0.03%	274,820.14	100.00%	-	0.72%	50
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION FUNDS	889,629,762.19	87.94%	887,576,260.53	99.77%	(2,053,501.66)	1.09%	421
TOTAL	\$ 1,011,479,090.88	100.00%	\$ 1,009,219,676.57	99.78%	\$ (2,259,414.31)	1.04%	392

Note: In addition to the funds held above, there is \$4,750 petty cash held at SANDAG.

SANDAG
Detail of Portfolio Balances (by Account)
as of December 31, 2016

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd. Avg. Days to Maturity
US BANK, N.A.:							
Checking - <i>TransNet</i> Sales Tax (RTC)	\$ 977,383.60	0.10%	\$ 977,383.60	100.00%	\$ -	N/A	1
Checking - SANDAG General	11,957,154.00	1.18%	11,957,154.00	100.00%	-	N/A	1
Checking - SANDAG Flexible Spending Acct (FSA)	87,422.25	0.01%	87,422.25	100.00%	-	N/A	1
Checking - SANDAG Interstate 15 (I-15) <i>FasTrak</i> ®	1,805,512.77	0.18%	1,805,512.77	100.00%	-	N/A	1
Checking - SANDAG SAFE Program Acct	239,958.41	0.02%	239,958.41	100.00%	-	N/A	1
Checking - SourcePoint	51,347.82	0.01%	51,347.82	100.00%	-	N/A	1
Checking - ARJIS	582,100.35	0.06%	582,100.35	100.00%	-	N/A	1
Checking - State Route 125 (SR 125) Payment Account	1,414,721.59	0.14%	1,414,721.59	100.00%	-	N/A	1
Checking - State Route 125 (SR 125) Collection Account	127,838.59	0.01%	127,838.59	100.00%	-	N/A	1
TOTAL US BANK, N.A.	\$ 17,243,439.38	1.70%	\$ 17,243,439.38	100.00%	\$ -	N/A	1
STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIF):							
<i>TransNet</i> (RTC)	\$ 50,476,416.45	4.99%	\$ 50,476,416.45	100.00%	\$ -	0.74%	171
SANDAG	1,012,370.79	0.10%	1,012,370.79	100.00%	-	0.74%	171
TOTAL LAIF	\$ 51,488,787.24	5.09%	\$ 51,488,787.24	100.00%	\$ -	0.74%	171 **
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):							
INDIVIDUAL PORTFOLIO:							
<i>TransNet</i> Sales Tax (RTC)	\$ 221,861,686.26	21.93%	\$ 220,684,297.39	99.47%	\$ (1,177,388.87)	1.20%	688
<i>TransNet</i> 2008 Bond Proceeds A/B/C/D Reserve Fund (RTC)	17,202,470.21	1.70%	17,209,505.66	100.04%	7,035.45	1.06%	413
<i>TransNet</i> 2010 Bond Proceeds Series B Principal (RTC)	109,370.43	0.01%	109,854.66	100.44%	484.23	0.68%	89
<i>TransNet</i> 2012 Bond Proceeds Series A Principal (RTC)	2,714,375.30	0.27%	2,726,392.96	100.44%	12,017.66	0.68%	89
<i>TransNet</i> 2014 Bond Proceeds Series A Principal (RTC)	765,593.03	0.08%	768,982.63	100.44%	3,389.60	0.68%	89
<i>TransNet</i> 2016 Bond Proceeds Series A Project (RTC)	184,748,041.28	18.27%	185,344,565.24	100.32%	596,523.96	1.14%	149
Sage Hill Endowment (RTC)	824,043.00	0.08%	823,730.33	99.96%	(312.67)	0.68%	299
SANDAG Toll Rd Project Major Main Reserve Acct	22,744,379.13	2.25%	22,603,958.38	99.38%	(140,420.75)	0.90%	375
SANDAG Toll Rd Project Extraordinary Reserve Acct	9,911,847.19	0.98%	9,846,355.29	99.34%	(65,491.90)	0.92%	360
TOTAL INDIVIDUAL PORTFOLIO	\$ 460,881,805.83	45.57%	\$ 460,117,642.54	99.83%	\$ (764,163.29)	1.14%	433

SANDAG
Detail of Portfolio Balances (by Account)
as of December 31, 2016

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd. Avg. Days to Maturity
CASH RESERVE PORTFOLIO:							
I-15 FasTrak	\$ 623,504.11	0.06%	\$ 623,504.11	100.00%	\$ -	0.72%	50
ARJIS	5,601,987.77	0.55%	5,601,987.77	100.00%	-	0.72%	50
California Coastal Commission	1,180,107.85	0.12%	1,180,107.85	100.00%	-	0.72%	50
SANDAG SR 125	1,858,413.48	0.18%	1,858,413.48	100.00%	-	0.72%	50
SANDAG Toll Road Project Maint	27,208,941.36	2.69%	27,208,941.36	100.00%	-	0.72%	50
Coronado Bridge Toll Funds	274,820.14	0.03%	274,820.14	100.00%	-	0.72%	50
SANDAG Toll Road Extraordinary Reserve	3,995,496.73	0.40%	3,995,496.73	100.00%	-	0.72%	50
SANDAG Shoreline Management Account	162,177.89	0.02%	162,177.89	100.00%	-	0.72%	50
2008 Bond Series A/B/C/D Reserve Fund (RTC)	17,496.09	0.00%	17,496.09	100.00%	-	0.72%	50
2008 Bond Series A - Principal (RTC)	1.00	0.00%	1.00	100.00%	-	0.72%	50
2008 Bond Series B - Principal (RTC)	1.00	0.00%	1.00	100.00%	-	0.72%	50
2008 Bond Series C - Principal (RTC)	1.00	0.00%	1.00	100.00%	-	0.72%	50
2008 Bond Series D - Principal (RTC)	1.00	0.00%	1.00	100.00%	-	0.72%	50
2010 Bond Series B - Principal (RTC)	390,172.84	0.04%	390,172.84	100.00%	-	0.72%	50
2010 Bond Series B - Interest (RTC)	77,305.09	0.01%	77,305.09	100.00%	-	0.72%	50
2010 Bond Series A - Interest (RTC)	5,031,986.00	0.50%	5,031,986.00	100.00%	-	0.72%	50
2012 Bond Series A - Interest (RTC)	4,344,142.85	0.43%	4,344,142.85	100.00%	-	0.72%	50
2012 Bond Series A - Principal (RTC)	9,491,835.91	0.94%	9,491,835.91	100.00%	-	0.72%	50
2008 Sales Tax Account - TransNet Extension (RTC)	11,366,857.81	1.12%	11,366,857.81	100.00%	-	0.72%	50
Wetland Mitigation TransNet Sales Tax (RTC)	292,833.39	0.03%	292,833.39	100.00%	-	0.72%	50
Sage Hill Endowment (RTC)	4,221.36	0.00%	4,221.36	100.00%	-	0.72%	50
2014 Bond Series A - Principal (RTC)	2,683,108.65	0.27%	2,683,108.65	100.00%	-	0.72%	50
2014 Bond Series A - Interest (RTC)	4,312,369.20	0.43%	4,312,369.20	100.00%	-	0.72%	50
2014 Bond Series A Project Del Mar Fund (RTC)	595,400.25	0.06%	595,400.25	100.00%	-	0.72%	50
2014 Bond Series A Project Santee Fund (RTC)	552,975.78	0.05%	552,975.78	100.00%	-	0.72%	50
2016 Bond Series A Principal Account (RTC)	1,581,497.66	0.16%	1,581,497.66	100.00%	-	0.72%	50
2016 Bond Series A Interest Account (RTC)	5,773,413.35	0.57%	5,773,413.35	100.00%	-	0.72%	50
2016 Bond Series A Project Account (RTC)	372,344.90	0.04%	372,344.90	100.00%	-	0.72%	50
TOTAL CASH RESERVE PORTFOLIO	\$ 87,793,414.46	8.68%	\$ 87,793,414.46	100.00%	\$ -	0.72%	50 **
TOTAL CAMP	\$ 548,675,220.29	54.24%	\$ 547,911,057.00	99.86%	\$ -	1.07%	372

SANDAG
Detail of Portfolio Balances (by Account)
as of December 31, 2016

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd. Avg. Days to Maturity
US BANK:							
Capital Project Retention Account	\$ 3,214,599.25	0.32%	\$ 3,214,599.25	100.00%	\$ -	0.10%	1
SANDAG - Toll Road Project Revenue	4,839,129.73	0.48%	4,839,129.73	100.00%	-	0.10%	1
SANDAG - Toll Road Project Capital Expenditure Reserve	720,132.37	0.07%	720,132.37	100.00%	-	0.10%	1
SANDAG - Toll Road Project Expense Fund - TIFIA Note Expense Acct	10,024.64	0.00%	10,024.64	100.00%	-	0.10%	1
SANDAG - Toll Road Project Senior Obligation Debt Service - Interest	1,864.92	0.00%	1,864.92	100.00%	-	0.10%	1
SANDAG - Toll Road Project Senior Obligation Debt Service - Principal	213.94	0.00%	213.94	100.00%	-	0.10%	1
SANDAG - Toll Road Project Major Maintenance Reserve Acct	979,647.33	0.10%	979,647.33	100.00%	-	0.10%	1
SANDAG - Toll Road Project Extraordinary Reserve Acct	333,333.33	0.03%	333,333.33	100.00%	-	0.10%	1
SANDAG - Toll Road Proj First Subord Obl <i>TransNet</i> Payment	617.94	0.00%	617.94	100.00%	-	0.10%	1
SANDAG - Toll Road Project SANDAG Distribution	1,001,632.45	0.10%	1,001,632.45	100.00%	-	0.10%	1
2008 Revenue Bond Series A Interest (RTC)	0.11	0.00%	0.11	100.00%	-	0.00%	1
2008 Revenue Bond Series A/B/C/D Swap Monies (RTC)	6.37	0.00%	6.37	100.00%	-	0.16%	1
2008 Bond Series A/B/C/D Main Interest (RTC)	1,361,474.84	0.13%	1,361,474.84	100.00%	-	0.10%	1
Commercial Paper Series B - NCTD Interest (RTC)	228,455.81	0.02%	228,455.81	100.00%	-	0.10%	1
NCTD Certificates of Participation	26,750,000.00	2.64%	26,750,000.00	100.00%	-	0.74%	75
Custody Account (RTC)	2,160,159.40	0.21%	2,160,159.40	100.00%	-	0.10%	1
Sales Tax Revenue Bonds 2016 Series A COI (RTC)	18,133.10	0.00%	18,133.10	100.00%	-	0.10%	1
Sales Tax Revenue CP Notes Series B Interest (RTC)	167.15	0.00%	167.15	100.00%	-	0.00%	1
Sales Tax Revenue CP Notes Series B Principal (RTC)	4,269.58	0.00%	4,269.58	100.00%	-	0.00%	1
TOTAL US BANK	\$ 41,623,862.26	4.12%	\$ 41,623,862.26	100.00%	\$ -	0.55%	49
THE BANK OF NEW YORK MELLON:							
INDIVIDUAL PORTFOLIO:							
<i>TransNet</i> Extension (RTC)	\$ 208,931,518.71	20.66%	\$ 207,436,267.69	99.28%	\$ (1,495,251.02)	1.16%	600
TOTAL INDIVIDUAL PORTFOLIO	\$ 208,931,518.71	20.66%	\$ 207,436,267.69	99.28%	\$ (1,495,251.02)	1.16%	600
CASH RESERVE:							
<i>TransNet</i> Extension (RTC)	\$ 752,274.42	0.07%	\$ 752,274.42	100.00%	\$ -	0.00%	1
TOTAL CASH RESERVE	\$ 752,274.42	0.07%	\$ 752,274.42	100.00%	\$ -	0.00%	1
TOTAL THE BANK OF NEW YORK MELLON	\$ 209,683,793.13	20.73%	\$ 208,188,542.11	99.29%	\$ (1,495,251.02)	1.16%	598

SANDAG
Detail of Portfolio Balances (by Account)
as of December 31, 2016

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd. Avg. Days to Maturity
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND:							
SourcePoint Cash Reserve Fund	\$ 169,566.80	0.02%	\$ 169,566.80	100.00%	\$ -	1.12%	401
SDCRTC 2016 Bonds (RTC)	82,139,062.61	8.12%	82,139,062.61	100.00%	-	1.12%	401
SANDAG I-15 FasTrak	7,979,689.36	0.79%	7,979,689.36	100.00%	-	1.12%	401
TransNet Extension (RTC)	40,716,895.40	4.03%	40,716,895.40	100.00%	-	1.12%	401
ARJIS	2,461,731.86	0.24%	2,461,731.86	100.00%	-	1.12%	401
SANDAG SAFE Program	8,732,132.13	0.86%	8,732,132.13	100.00%	-	1.12%	401
TOTAL SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	\$ 142,199,078.16	14.06%	\$ 142,199,078.16	100.00%	\$ -	1.12%	401 **
CALIFORNIA BANK AND TRUST:							
Capital Project Retention Accounts	\$ 564,910.42	0.06%	\$ 564,910.42	100.00%	\$ -	0.05%	1
TOTAL CALIFORNIA BANK AND TRUST	\$ 564,910.42	0.06%	\$ 564,910.42	100.00%	\$ -	0.05%	1
TOTAL	\$ 1,011,479,090.88	100.00%	\$ 1,009,219,676.57	99.78%	\$ (2,259,414.31)	1.04%	392

Legend:

- Automated Regional Justice Information System (ARJIS)
- Commercial Paper (CP)
- State of California Local Agency Investment Fund (LAIF)
- North County Transit District (NCTD)
- San Diego County Regional Transportation Commission (RTC)

** Although average days to maturity is greater than one day, funds are available at par the same day.

SANDAG
Detail of Portfolio Balances (by Investment Type)
as of December 31, 2016

Investment	Purchase Date	Maturity Date	Book Value	Market Value	Unrealized Gain / (Loss)	Par Value	S&P Rating	Moody's Rating	Yield on Cost	Wtd. Avg. Days to Maturity
Cash and cash equivalents:										
Demand deposits:										
Checking - TransNet Sales Tax (RTC)	N/A	N/A	\$ 977,383.60	\$ 977,383.60	\$ -	N/A	NR	NR	N/A	1
Checking - SANDAG General	N/A	N/A	11,957,154.00	11,957,154.00	-	N/A	NR	NR	N/A	1
Checking - SANDAG Flexible Spending Acct (FSA)	N/A	N/A	87,422.25	87,422.25	-	N/A	NR	NR	N/A	1
Checking - SANDAG Interstate 15 (I-15) FasTrak ®	N/A	N/A	1,805,512.77	1,805,512.77	-	N/A	NR	NR	N/A	1
Checking - SANDAG SAFE Program Acct	N/A	N/A	239,958.41	239,958.41	-	N/A	NR	NR	N/A	1
Checking - SourcePoint	N/A	N/A	51,347.82	51,347.82	-	N/A	NR	NR	N/A	1
Checking - ARJIS	N/A	N/A	582,100.35	582,100.35	-	N/A	NR	NR	N/A	1
Checking - State Route 125 (SR 125) Payment Account	N/A	N/A	1,414,721.59	1,414,721.59	-	N/A	NR	NR	N/A	1
Checking - SR 125 Collection Account	N/A	N/A	127,838.59	127,838.59	-	N/A	NR	NR	N/A	1
Total demand deposits			\$ 17,243,439.38	\$ 17,243,439.38	\$ -	N/A			N/A	1
Money market accounts and funds:										
Money Market - Capital Project Retention Account	N/A	N/A	\$ 564,910.42	\$ 564,910.42	\$ -	N/A	NR	NR	0.05%	1
Money Market - Capital Project Retention Account	N/A	N/A	3,214,599.25	3,214,599.25	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project Revenue Fund	N/A	N/A	4,839,129.73	4,839,129.73	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project Cap Exp Reserve	N/A	N/A	720,132.37	720,132.37	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project TIFIA Note Expense	N/A	N/A	10,024.64	10,024.64	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project Sr. Oblig. D/S - Interest	N/A	N/A	1,864.92	1,864.92	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project Sr. Oblig. D/S - Princ.	N/A	N/A	213.94	213.94	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project Major Maintenance Reserv	N/A	N/A	979,647.33	979,647.33	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project Extraordinary Reserve Fun	N/A	N/A	333,333.33	333,333.33	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project 1st Sub Obl TNet Pymt	N/A	N/A	617.94	617.94	-	N/A	NR	NR	0.10%	1
Money Market - SANDAG Toll Road Project SANDAG Distribution	N/A	N/A	1,001,632.45	1,001,632.45	-	N/A	NR	NR	0.10%	1
San Diego County Treasurer's Pooled Money Fund (SourcePoint)	N/A	N/A	169,566.80	169,566.80	-	N/A	AAAf / S1	NR	1.12%	401
San Diego County Treasurer's Pooled Money Fund (RTC)	N/A	N/A	82,139,062.61	82,139,062.61	-	N/A	AAAf / S1	NR	1.12%	401
San Diego County Treasurer's Pooled Money Fund (I-15 FasTrak ®)	N/A	N/A	7,979,689.36	7,979,689.36	-	N/A	AAAf / S1	NR	1.12%	401
San Diego County Treasurer's Pooled Money Fund (RTC)	N/A	N/A	40,716,895.40	40,716,895.40	-	N/A	AAAf / S1	NR	1.12%	401
San Diego County Treasurer's Pooled Money Fund (ARJIS)	N/A	N/A	2,461,731.86	2,461,731.86	-	N/A	AAAf / S1	NR	1.12%	401
San Diego County Treasurer's Pooled Money Fund (SAFE)	N/A	N/A	8,732,132.13	8,732,132.13	-	N/A	AAAf / S1	NR	1.12%	401
Money Market - RTC (2008 Revenue Bond Series B Interest)	N/A	N/A	0.11	0.11	-	N/A	NR	NR	0.00%	1
Money Market - RTC (2008 Revenue Bond - Series A/B/C/D Interest Swa	N/A	N/A	6.37	6.37	-	N/A	NR	NR	0.16%	1
Money Market - RTC (2008 Bond - Main Interest)	N/A	N/A	1,361,474.84	1,361,474.84	-	N/A	NR	NR	0.10%	1
Money Market - RTC (CP Series B - NCTD)	N/A	N/A	228,455.81	228,455.81	-	N/A	NR	NR	0.10%	1
Money Market - RTC (2016 Revenue Bond - Series A COI)	N/A	N/A	18,133.10	18,133.10	-	N/A	NR	NR	0.10%	1
Money Market - RTC (CP Notes Ser B Interest)	N/A	N/A	167.15	167.15	-	N/A	NR	NR	0.00%	1
Money Market - RTC (CP Ser B Principal)	N/A	N/A	4,269.58	4,269.58	-	N/A	NR	NR	0.00%	1
Money Market - RTC (Custody Account)	N/A	N/A	2,160,159.40	2,160,159.40	-	N/A	NR	NR	0.10%	1

SANDAG
Detail of Portfolio Balances (by Investment Type)
as of December 31, 2016

Investment	Purchase Date	Maturity Date	Book Value	Market Value	Unrealized Gain / (Loss)	Par Value	S&P Rating	Moody's Rating	Yield on Cost	Wtd. Avg.
										Days to Maturity
CAMP Cash Reserve Portfolio (ARJIS)	N/A	N/A	5,601,987.77	5,601,987.77	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio - CA Coastal Commission	N/A	N/A	1,180,107.85	1,180,107.85	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (SANDAG SR 125)	N/A	N/A	1,858,413.48	1,858,413.48	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (SANDAG SR 125) - Project Maint	N/A	N/A	27,208,941.36	27,208,941.36	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio - Coronado Bridge Toll Funds	N/A	N/A	274,820.14	274,820.14	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (SANDAG SR 125) - Extraordinary Reserve	N/A	N/A	3,995,496.73	3,995,496.73	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio - SANDAG Shoreline Management Accou	N/A	N/A	162,177.89	162,177.89	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (I-15 FasTrak ®)	N/A	N/A	623,504.11	623,504.11	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2008 Bond Reserve	N/A	N/A	17,496.09	17,496.09	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2008 Bond Ser A Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2008 Bond Ser B Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2008 Bond Ser C Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2008 Bond Ser D Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2010 Bond Ser B Principal	N/A	N/A	390,172.84	390,172.84	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2010 Bond Ser B Interest	N/A	N/A	77,305.09	77,305.09	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2010 Bond Ser A Interest	N/A	N/A	5,031,986.00	5,031,986.00	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2012 Bond Interest	N/A	N/A	4,344,142.85	4,344,142.85	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2012 Bond Principal	N/A	N/A	9,491,835.91	9,491,835.91	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - Sales Tax	N/A	N/A	11,366,857.81	11,366,857.81	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio - Wetland Mitigation (RTC)	N/A	N/A	292,833.39	292,833.39	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio - Sage Hill Endowment (RTC)	N/A	N/A	4,221.36	4,221.36	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2014 Bond Ser A Principal	N/A	N/A	2,683,108.65	2,683,108.65	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2014 Bond Ser A Interest	N/A	N/A	4,312,369.20	4,312,369.20	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2014 Bond Ser A Proj Del Mar	N/A	N/A	595,400.25	595,400.25	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2014 Bond Ser A Proj Santee	N/A	N/A	552,975.78	552,975.78	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2016 Series A Principal	N/A	N/A	1,581,497.66	1,581,497.66	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2016 Series A Interest	N/A	N/A	5,773,413.35	5,773,413.35	-	N/A	AAAm	NR	0.72%	50
CAMP Cash Reserve Portfolio (RTC) - 2016 Bond Series A Project	N/A	N/A	372,344.90	372,344.90	-	N/A	AAAm	NR	0.72%	50
BNY Mellon Cash Reserve TransNet Extension (RTC)	N/A	N/A	752,274.42	752,274.42	-	N/A	NR	NR	0.00%	1
Total money market accounts and funds			\$ 246,183,539.72	\$ 246,183,539.72	\$ -	N/A			0.91%	250
Total cash and cash equivalents			\$ 263,426,979.10	\$ 263,426,979.10	\$ -	N/A			N/A	233

SANDAG
Detail of Portfolio Balances (by Investment Type)
as of December 31, 2016

Investment	Purchase Date	Maturity Date	Book Value	Market Value	Unrealized Gain / (Loss)	Par Value	S&P Rating	Moody's Rating	Yield on Cost	Wtd. Avg. Days to Maturity
Investments:										
State of CA Local Agency Investment Fund:										
LAIF - TransNet (RTC)	N/A	N/A	\$ 50,476,416.45	\$ 50,476,416.45	\$ -	N/A	NR	NR	0.74%	171
LAIF - SANDAG	N/A	N/A	1,012,370.79	1,012,370.79	-	N/A	NR	NR	0.74%	171
Total State of CA Local Agency Investment Fund			\$ 51,488,787.24	\$ 51,488,787.24	\$ -	N/A			0.74%	171
U.S. Agencies:										
FHLMC Notes	12/09/2016	03/27/2019	\$ 3,816,066.30	\$ 3,808,196.45	\$ (7,869.85)	\$ 3,615,000.00	AA+	Aaa	1.28%	816
US Treasury Notes	11/15/2016	03/31/2018	7,463,637.50	7,458,375.32	(5,262.18)	7,480,000.00	AA+	Aaa	0.91%	455
Federal Home Loan Banks Disc Note	05/31/2016	03/30/2017	109,370.43	109,854.66	484.23	110,000.00	A-1+	P-1	0.68%	89
Federal Home Loan Banks Disc Note	05/31/2016	03/30/2017	2,714,375.30	2,726,392.96	12,017.66	2,730,000.00	A-1+	P-1	0.68%	89
Federal Home Loan Banks Disc Note	05/31/2016	03/30/2017	765,593.03	768,982.63	3,389.60	770,000.00	A-1+	P-1	0.68%	89
FNMA Benchmark Note	06/17/2016	10/19/2018	1,510,755.00	1,498,155.00	(12,600.00)	1,500,000.00	AA+	Aaa	0.81%	657
Fannie Mae Global Notes	07/11/2014	01/30/2017	2,673,844.80	2,641,248.72	(32,596.08)	2,640,000.00	AA+	Aaa	0.74%	30
FNMA Benchmark Note	06/17/2016	01/28/2019	1,521,135.00	1,502,082.00	(19,053.00)	1,500,000.00	AA+	Aaa	0.83%	758
Fannie Mae Global Notes	06/17/2016	10/26/2017	1,503,960.00	1,500,210.00	(3,750.00)	1,500,000.00	AA+	Aaa	0.68%	299
Fannie Mae Global Notes	06/17/2016	02/08/2018	1,504,530.00	1,498,980.00	(5,550.00)	1,500,000.00	AA+	Aaa	0.69%	404
Freddie Mac Global Notes	06/17/2016	07/28/2017	1,505,415.00	1,502,331.00	(3,084.00)	1,500,000.00	AA+	Aaa	0.67%	209
Federal Home Loan Banks Agcy	06/17/2016	06/29/2018	500,850.00	498,261.50	(2,588.50)	500,000.00	AA+	Aaa	0.79%	545
FNMA Notes	06/17/2016	07/20/2018	503,715.00	500,008.00	(3,707.00)	500,000.00	AA+	Aaa	0.77%	566
FNMA Benchmark Note	06/17/2016	10/19/2018	503,585.00	499,385.00	(4,200.00)	500,000.00	AA+	Aaa	0.81%	657
Fannie Mae Global Notes	07/11/2014	01/30/2017	2,638,135.60	2,606,232.17	(31,903.43)	2,605,000.00	AA+	Aaa	0.74%	30
FNMA Benchmark Note	06/17/2016	01/28/2019	507,045.00	500,694.00	(6,351.00)	500,000.00	AA+	Aaa	0.83%	758
FHLMC Notes	06/17/2016	03/27/2019	538,870.00	526,721.50	(12,148.50)	500,000.00	AA+	Aaa	0.90%	816
Freddie Mac Notes	12/10/2015	05/30/2019	722,900.75	721,736.73	(1,164.02)	715,000.00	AA+	Aaa	1.42%	880
US Treasury Notes	07/11/2014	06/30/2017	1,254,142.97	1,260,640.08	6,497.11	1,260,000.00	AA+	Aaa	0.91%	181
Federal Home Loan Banks Agcy	05/26/2016	06/29/2018	4,868,239.20	4,863,032.24	(5,206.96)	4,880,000.00	AA+	Aaa	0.99%	545
Federal Home Loan Banks Agcy	08/12/2016	06/29/2018	4,105,125.00	4,085,744.30	(19,380.70)	4,100,000.00	AA+	Aaa	0.81%	545
FHLB Global Note	06/02/2016	06/21/2019	12,604,703.80	12,538,223.88	(66,479.92)	12,610,000.00	AA+	Aaa	1.14%	902
FHLB Notes	07/07/2016	08/07/2018	4,440,744.00	4,414,631.40	(26,112.60)	4,450,000.00	AA+	Aaa	0.73%	584
FHLB Global Note	08/25/2016	10/01/2018	7,769,713.00	7,732,214.18	(37,498.82)	7,775,000.00	AA+	Aaa	0.91%	639
FNMA Notes	03/02/2016	12/14/2018	8,009,200.00	7,983,496.00	(25,704.00)	8,000,000.00	AA+	Aaa	1.08%	713
FNMA Benchmark Note	02/19/2016	02/26/2019	3,990,560.00	3,975,132.00	(15,428.00)	4,000,000.00	AA+	Aaa	1.08%	787
FNMA Benchmark Note	05/03/2016	02/26/2019	2,086,920.43	2,072,037.56	(14,882.87)	2,085,000.00	AA+	Aaa	0.97%	787
FNMA Benchmark Note	07/06/2016	02/26/2019	5,435,370.00	5,366,428.20	(68,941.80)	5,400,000.00	AA+	Aaa	0.75%	787
FNMA Note	03/02/2016	03/28/2018	5,284,410.00	5,284,378.23	(31.77)	5,295,000.00	AA+	Aaa	0.97%	452
FNMA Benchmark Note	07/29/2016	08/02/2019	6,529,012.80	6,449,152.86	(79,859.94)	6,540,000.00	AA+	Aaa	0.93%	944
FNMA Notes	08/31/2016	08/28/2019	7,887,676.00	7,812,238.90	(75,437.10)	7,900,000.00	AA+	Aaa	1.05%	970
FNMA Notes	10/03/2016	08/28/2019	3,717,768.00	3,678,674.52	(39,093.48)	3,720,000.00	AA+	Aaa	1.02%	970

SANDAG
Detail of Portfolio Balances (by Investment Type)
as of December 31, 2016

Investment	Purchase Date	Maturity Date	Book Value	Market Value	Unrealized Gain / (Loss)	Par Value	S&P Rating	Moody's Rating	Yield on Cost	Wtd. Avg.
										Days to Maturity
FHLMC Notes	03/02/2016	03/27/2019	2,156,300.00	2,106,886.00	(49,414.00)	2,000,000.00	AA+	Aaa	1.15%	816
FHLMC Reference Note	07/19/2016	07/19/2019	5,721,121.30	5,659,246.39	(61,874.91)	5,735,000.00	AA+	Aaa	0.96%	930
FHLMC Reference Note	10/03/2016	07/19/2019	3,488,590.00	3,453,768.50	(34,821.50)	3,500,000.00	AA+	Aaa	0.99%	930
FHLMC Reference Note	09/15/2016	10/12/2018	5,092,809.15	5,067,308.68	(25,500.47)	5,095,000.00	AA+	Aaa	0.90%	650
FNMA Series	01/15/2015	02/01/2018	864,061.88	857,545.70	(6,516.18)	855,513.17	AA+	Aaa	1.26%	397
FNMA Series	04/15/2015	04/01/2018	1,035,246.31	1,025,587.74	(9,658.57)	1,025,000.00	AA+	Aaa	0.83%	456
Fannie Mae Series	10/07/2015	09/01/2019	2,055,378.29	2,032,554.13	(22,824.16)	2,035,000.00	AA+	Aaa	1.08%	974
FNMA Series	11/06/2015	01/01/2019	989,799.90	983,489.00	(6,310.90)	980,000.00	AA+	Aaa	1.20%	731
FNMA Series	06/09/2016	06/01/2019	2,979,498.53	2,956,793.56	(22,704.97)	2,950,000.00	AA+	Aaa	1.05%	882
FHLMC Series	04/15/2016	03/01/2019	1,151,213.89	1,141,477.96	(9,735.93)	1,139,824.76	AA+	Aaa	0.99%	790
US Treasury Notes	06/27/2016	04/30/2019	8,617,546.87	8,465,620.80	(151,926.07)	8,400,000.00	AA+	Aaa	0.70%	850
US Treasury Notes	12/01/2016	01/31/2020	11,491,792.97	11,494,956.48	3,163.51	11,580,000.00	AA+	Aaa	1.50%	1,126
US Treasury Notes	12/02/2015	09/15/2018	2,180,932.03	2,185,381.29	4,449.26	2,190,000.00	AA+	Aaa	1.15%	623
US Treasury Notes	05/26/2016	04/15/2019	497,890.62	495,508.00	(2,382.62)	500,000.00	AA+	Aaa	1.02%	835
US Treasury Notes	10/08/2015	09/30/2018	8,399,983.59	8,326,106.25	(73,877.34)	8,295,000.00	AA+	Aaa	0.94%	638
US Treasury Notes	01/06/2016	12/31/2018	4,411,171.88	4,414,264.80	3,092.92	4,400,000.00	AA+	Aaa	1.29%	730
FHLB Notes	10/15/2015	10/26/2017	824,043.00	823,730.33	(312.67)	825,000.00	AA+	Aaa	0.68%	299
Federal Home Loan Bank	10/08/2013	03/10/2017	3,183,360.00	3,201,184.00	17,824.00	3,200,000.00	AA+	Aaa	1.03%	69
Federal National Mortgage Association	11/27/2012	09/20/2017	3,508,400.00	3,503,080.00	(5,320.00)	3,500,000.00	AA+	Aaa	1.00%	263
Federal National Mortgage Association	12/04/2012	09/20/2017	1,002,750.00	1,000,880.00	(1,870.00)	1,000,000.00	AA+	Aaa	1.00%	263
Federal National Mortgage Association	02/25/2013	09/20/2017	4,004,000.00	4,003,520.00	(480.00)	4,000,000.00	AA+	Aaa	1.00%	263
Federal National Mortgage Association	11/12/2015	10/26/2017	2,997,900.00	3,000,420.00	2,520.00	3,000,000.00	AA+	Aaa	0.91%	299
Federal Home Loan Mortgage Corp	09/23/2015	11/17/2017	4,968,054.00	4,714,901.10	(253,152.90)	4,550,000.00	AA+	Aaa	0.78%	321
Federal Home Loan Bank	12/12/2014	12/08/2017	2,002,160.00	2,004,980.00	2,820.00	2,000,000.00	AA+	Aaa	1.09%	342
Federal Farm Credit Bank	06/15/2015	12/11/2017	4,491,585.00	4,494,105.00	2,520.00	4,500,000.00	AA+	Aaa	0.98%	345
Federal Home Loan Mortgage Corp	03/23/2015	12/29/2017	5,000,000.00	4,995,600.00	(4,400.00)	5,000,000.00	AA+	Aaa	1.05%	363
Federal Home Loan Mortgage Corp	01/28/2013	01/12/2018	4,931,800.00	4,989,810.00	58,010.00	5,000,000.00	AA+	Aaa	1.03%	377
Federal Agricultural Mortgage Corp	01/22/2013	01/24/2018	2,499,375.00	2,494,375.00	(5,000.00)	2,500,000.00	AA+	Aaa	0.94%	389
Federal Home Loan Mortgage Corp	02/25/2013	02/07/2018	2,470,712.00	2,457,651.40	(13,060.60)	2,455,000.00	AA+	Aaa	1.35%	403
Federal National Mortgage Association	02/15/2013	02/08/2018	1,989,480.00	1,998,640.00	9,160.00	2,000,000.00	AA+	Aaa	0.98%	404
Federal Home Loan Bank	03/15/2013	03/09/2018	254,980.00	250,895.00	(4,085.00)	250,000.00	AA+	Aaa	0.96%	433
Federal Home Loan Bank	06/10/2015	03/09/2018	2,012,440.00	2,007,160.00	(5,280.00)	2,000,000.00	AA+	Aaa	1.14%	433
Federal Home Loan Bank	09/24/2015	04/24/2018	4,010,720.00	3,994,200.00	(16,520.00)	4,000,000.00	AA+	Aaa	0.89%	479
Federal Home Loan Bank	05/26/2015	05/21/2018	4,989,850.00	4,992,850.00	3,000.00	5,000,000.00	AA+	Aaa	1.07%	506
Federal Farm Credit Bank	06/11/2015	06/01/2018	4,983,750.00	4,996,200.00	12,450.00	5,000,000.00	AA+	Aaa	1.21%	517
Federal Home Loan Bank	10/09/2015	09/14/2018	5,017,550.00	4,997,075.00	(20,475.00)	5,000,000.00	AA+	Aaa	1.00%	622
Federal Home Loan Bank	10/21/2015	09/14/2018	3,015,210.00	2,998,245.00	(16,965.00)	3,000,000.00	AA+	Aaa	0.95%	622
Federal Home Loan Bank	10/21/2015	09/14/2018	1,256,400.00	1,249,268.75	(7,131.25)	1,250,000.00	AA+	Aaa	0.94%	622
Federal Home Loan Bank	08/20/2015	10/30/2018	4,994,550.00	4,981,200.00	(13,350.00)	5,000,000.00	AA+	Aaa	1.16%	668

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										Days to Maturity
Federal National Mortgage Association	05/26/2015	11/27/2018	5,576,230.00	5,541,459.00	(34,771.00)	5,500,000.00	AA+	Aaa	1.22%	696
Federal Home Loan Mortgage Corp	04/25/2016	01/28/2019	4,993,250.00	4,975,650.00	(17,600.00)	5,000,000.00	AA+	Aaa	1.20%	758
Federal Farm Credit Bank	08/31/2015	01/30/2019	4,004,520.00	3,999,280.00	(5,240.00)	4,000,000.00	AA+	Aaa	1.29%	760
Federal National Mortgage Association	10/20/2015	02/25/2019	4,024,800.00	3,996,400.00	(28,400.00)	4,000,000.00	AA+	Aaa	1.11%	786
Federal Home Loan Bank	04/22/2016	03/08/2019	5,057,500.00	5,015,075.00	(42,425.00)	5,000,000.00	AA+	Aaa	1.09%	797
Federal Home Loan Mortgage Corp	05/25/2016	04/15/2019	6,994,820.00	6,971,671.00	(23,149.00)	7,000,000.00	AA+	Aaa	1.15%	835
Federal Farm Credit Bank	05/09/2016	05/16/2019	5,500,000.00	5,469,970.00	(30,030.00)	5,500,000.00	AA+	Aaa	1.17%	866
Federal Home Loan Mortgage Corp	04/22/2016	10/28/2019	5,000,000.00	4,961,500.00	(38,500.00)	5,000,000.00	AA+	Aaa	1.25%	1,031
Federal National Mortgage Association	10/03/2016	03/30/2020	5,097,450.00	5,011,617.00	(85,833.00)	5,100,000.00	AA+	Aaa	1.26%	1,185
Federal Home Loan Mortgage Corp	10/03/2016	07/06/2020	5,498,625.00	5,344,185.00	(154,440.00)	5,500,000.00	AA+	Aaa	1.38%	1,283
United States Treasury Note/Bond	06/11/2015	06/15/2018	4,996,093.75	5,004,885.00	8,791.25	5,000,000.00	AA+	Aaa	1.15%	531
United States Treasury Note/Bond	01/11/2016	07/31/2018	4,529,003.91	4,520,038.50	(8,965.41)	4,500,000.00	AA+	Aaa	1.12%	577
United States Treasury Note/Bond	06/11/2015	01/31/2019	4,974,218.75	5,002,930.00	28,711.25	5,000,000.00	AA+	Aaa	1.40%	761
United States Treasury Note/Bond	10/13/2016	09/30/2019	4,998,437.50	4,947,850.00	(50,587.50)	5,000,000.00	AA+	Aaa	1.01%	1,003
United States Treasury Note/Bond	10/13/2016	12/31/2019	4,810,125.00	4,753,310.40	(56,814.60)	4,800,000.00	AA+	Aaa	1.06%	1,095
Total U.S. Agencies			\$ 320,584,849.03	\$ 318,716,158.75	\$(1,868,690.28)	\$ 319,290,338			1.04%	685
Corporate Medium Term Notes:										
Chevron Corp (Callable) Global Notes	08/17/2016	12/05/2017	\$ 1,742,862.87	\$ 1,737,065.34	\$ (5,797.53)	\$ 1,741,000.00	AA-	Aa2	1.02%	339
Chevron Corp Note	08/18/2016	11/15/2017	5,324,062.00	5,306,317.60	(17,744.40)	5,300,000.00	AA-	Aa2	0.97%	319
Coca-Cola Co Global Note	08/24/2016	04/01/2018	7,120,093.00	7,083,911.40	(36,181.60)	7,100,000.00	AA-	Aa3	0.97%	456
Exxon Mobil Corp Notes	08/17/2016	03/01/2018	2,718,549.00	2,703,245.40	(15,303.60)	2,700,000.00	AA+	Aaa	0.98%	425
Exxon Mobil Corp Notes	08/19/2016	03/01/2018	1,006,970.00	1,001,202.00	(5,768.00)	1,000,000.00	AA+	Aaa	0.98%	425
Exxon Mobil Corp Notes	08/24/2016	03/01/2018	3,424,582.00	3,404,086.80	(20,495.20)	3,400,000.00	AA+	Aaa	0.95%	425
IBM Corp Notes	08/18/2016	02/06/2018	7,124,637.00	7,083,861.70	(40,775.30)	7,100,000.00	AA-	Aa3	0.88%	402
Caterpillar Financial Services	06/17/2016	08/18/2017	1,504,800.00	1,500,474.00	(4,326.00)	1,500,000.00	A	A3	0.97%	230
Coca-Cola Co Global Note	06/17/2016	04/01/2018	1,507,590.00	1,496,601.00	(10,989.00)	1,500,000.00	AA-	Aa3	0.86%	456
JP Morgan Chase Corp Notes (Callable)	06/17/2016	03/01/2018	1,507,110.00	1,499,863.50	(7,246.50)	1,500,000.00	A-	A3	1.42%	425
Merck & Co Inc Corp Notes	06/17/2016	01/31/2018	1,505,910.00	1,496,928.00	(8,982.00)	1,500,000.00	AA	A1	0.85%	396
Microsoft Corp Notes	06/17/2016	11/03/2018	1,509,285.00	1,498,801.50	(10,483.50)	1,500,000.00	AAA	Aaa	1.03%	672
Wal-Mart Stores Inc	06/17/2016	12/15/2018	1,537,620.00	1,514,271.00	(23,349.00)	1,500,000.00	AA	Aa2	0.93%	714
Wells Fargo & Company Corp Notes	06/17/2016	09/08/2017	1,506,030.00	1,498,234.50	(7,795.50)	1,500,000.00	A	A2	1.07%	251
The Walt Disney Corp	06/17/2016	09/17/2018	506,355.00	500,917.50	(5,437.50)	500,000.00	A	A2	0.92%	625
JP Morgan Chase Corp Notes (Callable)	06/17/2016	03/01/2018	502,370.00	499,954.50	(2,415.50)	500,000.00	A-	A3	1.42%	425
Merck & Co Inc Corp Notes	06/17/2016	01/31/2018	501,970.00	498,976.00	(2,994.00)	500,000.00	AA	A1	0.85%	396
Wells Fargo & Company Corp Notes	06/17/2016	09/08/2017	502,010.00	499,411.50	(2,598.50)	500,000.00	A	A2	1.07%	251
American Express Crd Crp Nt (Callable)	02/05/2016	07/31/2018	3,496,290.00	3,504,501.00	8,211.00	3,500,000.00	A-	A2	1.84%	577
American Exp Credit Corp Nt (Callable)	10/29/2015	11/05/2018	1,059,904.60	1,061,539.12	1,634.52	1,060,000.00	A-	A2	1.88%	674
American Honda Finance Corp Notes	03/10/2015	03/13/2018	2,531,603.10	2,534,640.03	3,036.93	2,535,000.00	A+	A1	1.55%	437

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										Days to Maturity
American Honda Finance Corp Notes	02/18/2016	02/22/2019	1,144,771.00	1,140,310.08	(4,460.92)	1,145,000.00	A+	A1	1.71%	783
Bank Of New York Mellon Corp (Callable)	05/22/2015	05/22/2018	4,424,601.75	4,426,867.35	2,265.60	4,425,000.00	A	A1	1.60%	507
Berkshire Hathaway Inc Notes	03/08/2016	03/15/2019	839,361.60	839,255.76	(105.84)	840,000.00	AA	Aa2	1.73%	804
Berkshire Hathaway Inc Corporate Notes	08/08/2016	08/15/2019	959,068.80	948,341.76	(10,727.04)	960,000.00	AA	Aa2	1.33%	957
Cisco Systems Inc Corp Note	06/10/2015	06/15/2018	4,769,189.10	4,784,391.09	15,201.99	4,770,000.00	AA-	A1	1.66%	531
John Deere Capital Corp Note	09/08/2015	08/10/2018	3,736,334.80	3,747,012.50	10,677.70	3,740,000.00	A	A2	1.79%	587
John Deere Capital Corp Note	01/05/2016	01/08/2019	949,943.00	954,002.35	4,059.35	950,000.00	A	A2	1.95%	738
IBM Corp Notes	02/03/2015	02/06/2018	4,237,037.50	4,240,339.75	3,302.25	4,250,000.00	AA-	Aa3	1.23%	402
JP Morgan Chase & Co Notes	02/05/2016	01/15/2018	1,444,667.40	1,397,787.50	(46,879.90)	1,340,000.00	A-	A3	1.86%	380
Pepsico, Inc Corp Notes	04/27/2015	04/30/2018	714,914.20	714,099.82	(814.38)	715,000.00	A	A1	1.25%	485
Toyota Motor Credit Corp	07/08/2015	07/13/2018	829,294.50	829,793.33	498.83	830,000.00	AA-	Aa3	1.58%	559
Toyota Motor Credit Corp	02/16/2016	02/19/2019	699,916.00	697,788.00	(2,128.00)	700,000.00	AA-	Aa3	1.70%	780
US Bancorp (Callable)	11/24/2014	05/15/2017	3,238,688.00	3,204,560.00	(34,128.00)	3,200,000.00	A+	A1	1.15%	135
Wachovia Corp Notes	03/30/2015	02/01/2018	3,916,850.00	3,649,082.50	(267,767.50)	3,500,000.00	A	A2	1.44%	397
Toyota Motor Credit Corp	10/01/2013	01/12/2017	5,420,084.60	5,285,996.22	(134,088.38)	5,285,000.00	AA-	Aa3	1.25%	12
Apple Inc	05/22/2014	05/05/2017	3,011,340.00	3,002,106.00	(9,234.00)	3,000,000.00	AA+	Aa1	0.92%	125
American Express Credit Corp	09/30/2014	06/05/2017	4,970,500.00	4,999,215.00	28,715.00	5,000,000.00	A-	A2	1.35%	156
Pepsico Inc	02/13/2013	08/13/2017	3,004,200.00	3,001,143.00	(3,057.00)	3,000,000.00	A	A1	1.22%	225
Wells Fargo	07/20/2015	09/08/2017	4,008,120.00	3,995,292.00	(12,828.00)	4,000,000.00	A	A2	1.30%	251
International Business Machines Corp	01/30/2014	09/14/2017	3,107,673.00	2,780,924.40	(326,748.60)	2,700,000.00	AA-	Aa3	1.40%	257
International Business Machines Corp	02/04/2015	02/06/2018	2,993,400.00	2,993,181.00	(219.00)	3,000,000.00	AA-	Aa3	1.20%	402
Wal-Mart Stores Inc	04/11/2013	04/11/2018	500,215.00	498,836.00	(1,379.00)	500,000.00	AA	Aa2	1.12%	466
Wal-Mart Stores Inc	09/18/2015	04/11/2018	1,798,470.00	1,795,809.60	(2,660.40)	1,800,000.00	AA	Aa2	1.16%	466
Apple Inc	07/31/2013	05/03/2018	1,925,040.00	1,992,500.00	67,460.00	2,000,000.00	AA+	Aa1	1.83%	488
Berkshire Hathaway Finance Corp	06/11/2015	08/15/2018	5,081,575.00	5,035,610.00	(45,965.00)	5,000,000.00	AA	Aa2	1.47%	592
Caterpillar Financial Services	11/13/2015	11/13/2018	2,006,560.00	2,000,020.00	(6,540.00)	2,000,000.00	A	A3	1.69%	682
Microsoft Corp	07/06/2015	12/06/2018	5,060,450.00	5,027,975.00	(32,475.00)	5,000,000.00	AAA	Aaa	1.26%	705
Exxon Mobil Corp	08/04/2016	03/15/2019	8,142,400.00	8,013,128.00	(129,272.00)	8,000,000.00	AA+	Aaa	1.12%	804

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Caterpillar Financial Services	08/31/2016	05/18/2019	2,243,091.20	2,209,016.32	(34,074.88)	2,240,000.00	A	A3	1.30%	868
Pfizer Inc	06/20/2016	06/03/2019	4,012,200.00	3,975,636.00	(36,564.00)	4,000,000.00	AA	A1	1.34%	884
Pfizer Inc	06/20/2016	06/03/2019	2,006,100.00	1,987,818.00	(18,282.00)	2,000,000.00	AA	A1	1.34%	884
Total Corporate Medium Notes			\$ 139,336,660.02	\$ 138,092,641.72	\$ (1,244,018.30)	\$ 137,826,000.00			1.28%	469
Commercial Paper:										
Bank Of Tokyo Mitsubishi Comm Paper	10/12/2016	03/31/2017	\$ 845,143.19	\$ 847,950.65	\$ 2,807.46	\$ 850,000.00	A-1	P-1	1.22%	90
BNP Paribas NY Branch Comm Paper	10/13/2016	04/11/2017	844,843.81	847,495.05	2,651.24	850,000.00	A-1	P-1	1.23%	101
Credit Agricole CIB NY Comm Paper	10/13/2016	04/12/2017	844,900.00	847,577.50	2,677.50	850,000.00	A-1	P-1	1.21%	102
ING (US) Funding LLC Comm Paper	10/13/2016	05/23/2017	853,559.08	855,995.84	2,436.76	860,000.00	A-1	P-1	1.23%	143
JP Morgan Securities LLC Comm Paper	08/08/2016	03/31/2017	844,696.00	847,841.00	3,145.00	850,000.00	A-1	P-1	0.97%	90
Toyota Motor Credit Corp Comm Paper	08/04/2016	03/31/2017	844,099.58	848,169.10	4,069.52	850,000.00	A-1+	P-1	1.06%	90
US Bank NA Comm Paper	08/08/2016	03/31/2017	845,524.75	847,904.75	2,380.00	850,000.00	A-1+	P-1	0.81%	90
Bank Of Montreal Chicago Comm Paper	08/17/2016	05/12/2017	17,339,250.70	17,424,680.00	85,429.30	17,500,000.00	A-1	P-1	1.25%	132
Bank Of Tokyo Mitsubishi Comm Paper	08/17/2016	02/17/2017	17,394,455.56	17,481,712.50	87,256.94	17,500,000.00	A-1	P-1	1.19%	48
BNP Paribas NY Branch Comm Paper	08/17/2016	05/12/2017	17,321,519.44	17,428,565.00	107,045.56	17,500,000.00	A-1	P-1	1.38%	132
Cooperatieve Rabobank U.A. Comm Paper	08/17/2016	05/12/2017	17,336,462.50	17,438,575.00	102,112.50	17,500,000.00	A-1	P-1	1.27%	132
Credit Agricole CIB NY Comm Paper	08/17/2016	02/13/2017	17,395,583.33	17,483,480.00	87,896.67	17,500,000.00	A-1	P-1	1.21%	44
ING (US) Funding LLC Comm Paper	08/17/2016	02/13/2017	17,396,453.47	17,481,292.50	84,839.03	17,500,000.00	A-1	P-1	1.20%	44
JP Morgan Securities LLC Comm Paper	08/18/2016	05/15/2017	17,358,250.00	17,423,105.00	64,855.00	17,500,000.00	A-1	P-1	1.09%	135
Toyota Motor Credit Corp Comm Paper	08/17/2016	05/12/2017	17,354,633.33	17,436,580.00	81,946.67	17,500,000.00	A-1+	P-1	1.13%	132
US Bank NA Comm Paper	08/17/2016	05/12/2017	17,389,677.08	17,426,885.00	37,207.92	17,500,000.00	A-1+	P-1	0.86%	132
Toyota Motor Credit Corp Comm Paper	08/04/2016	03/31/2017	1,946,394.33	1,955,778.16	9,383.83	1,960,000.00	A-1+	P-1	1.06%	90
Toyota Motor Credit Corp Comm Paper	08/04/2016	03/31/2017	729,897.87	733,416.81	3,518.94	735,000.00	A-1+	P-1	1.06%	90
Total Commercial Paper			\$ 164,885,344.02	\$ 165,657,003.86	\$ 771,659.84	\$ 166,155,000.00			1.17%	103
Municipal Bonds/Notes:										
MS ST Txbl Go Bonds	02/04/2015	10/01/2017	\$ 230,000.00	\$ 229,747.00	\$ (253.00)	\$ 230,000.00	AA	Aa2	1.09%	274
Total Municipal Bonds/Notes			\$ 230,000.00	\$ 229,747.00	\$ (253.00)	\$ 230,000.00			1.09%	274
Certificates of Deposits:										
HSBC Bank USA NA Floating Cert Deposit	11/17/2015	11/17/2017	\$ 5,540,000.00	\$ 5,549,639.60	\$ 9,639.60	\$ 5,540,000.00	A-1+	P-1	0.97%	321
Svenska Handelsbanken NY Flt Cert Deposit	11/20/2015	08/24/2017	5,000,000.00	5,002,800.00	2,800.00	5,000,000.00	A-1+	P-1	0.84%	236
Bank Of Nova Scotia Houston YCD	11/06/2015	11/06/2017	5,540,000.00	5,544,875.20	4,875.20	5,540,000.00	A+	Aa3	1.55%	310
Canadian Imperial Bank NY CD	12/01/2016	11/30/2018	4,421,548.50	4,460,709.75	39,161.25	4,425,000.00	A+	Aa3	1.78%	699
Nordea Bank Finland NY CD	12/01/2016	11/30/2018	4,320,000.00	4,354,862.40	34,862.40	4,320,000.00	AA-	Aa3	1.74%	699
Royal Bank Of Canada NY CD	03/11/2016	03/09/2018	3,325,000.00	3,328,773.88	3,773.88	3,325,000.00	AA-	Aa3	1.69%	433
Skandinaviska Enskilda Banken NY CD	11/16/2015	11/16/2017	5,500,000.00	5,490,677.50	(9,322.50)	5,500,000.00	A-1	P-1	1.48%	320
Toronto Dominion Bank NY CD	03/14/2016	03/14/2018	2,560,000.00	2,568,034.64	8,034.64	2,560,000.00	AA-	Aa1	1.72%	438

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US Bank NA Cincinnati (Callable) CD	09/09/2014	09/11/2017	2,790,500.05	2,799,399.33	8,899.28	2,795,000.00	AA-	Aa1	1.41%	254
Total Certificates of Deposits			<u>\$ 38,997,048.55</u>	<u>\$ 39,099,772.30</u>	<u>\$ 102,723.75</u>	<u>\$ 39,005,000.00</u>			<u>1.42%</u>	<u>406</u>
Asset-Backed Security:										
CNH ABS	09/13/2016	02/15/2020	\$ 1,284,883.07	\$ 1,283,085.86	\$ (1,797.21)	\$ 1,285,000.00	AAA	Aaa	1.27%	1,141
Hyundai Auto Receivables Trust	09/14/2016	04/15/2021	1,099,851.94	1,091,136.64	(8,715.30)	1,100,000.00	AAA	Aaa	1.30%	1,566
Hyundai ABS	03/22/2016	09/15/2020	659,871.96	659,832.03	(39.93)	660,000.00	AAA	Aaa	1.57%	1,354
Nissan ABS	04/18/2016	01/15/2021	494,923.23	492,018.07	(2,905.16)	495,000.00	NR	Aaa	1.33%	1,476
Toyota ABS	02/23/2016	03/15/2020	1,579,910.41	1,576,849.01	(3,061.40)	1,580,000.00	AAA	Aaa	1.25%	1,170
Toyota ABS	08/01/2016	08/15/2020	659,982.31	655,664.99	(4,317.32)	660,000.00	AAA	Aaa	1.14%	1,323
Total Asset-Backed Security			<u>\$ 5,779,422.92</u>	<u>\$ 5,758,586.60</u>	<u>\$ (20,836.32)</u>	<u>\$ 5,780,000.00</u>			<u>1.29%</u>	<u>1,303</u>
Certificates of Participation:										
North County Transit District Certificates of Participation	12/08/2016	03/15/2017	\$ 26,750,000.00	\$ 26,750,000.00	\$ -	\$ 26,750,000.00	NR	A1	0.74%	75
Total Certificates of Participation			<u>\$ 26,750,000.00</u>	<u>\$ 26,750,000.00</u>	<u>\$ -</u>	<u>\$ 26,750,000.00</u>			<u>0.74%</u>	<u>75</u>
Total investments			<u>\$ 748,052,111.78</u>	<u>\$ 745,792,697.47</u>	<u>\$ (2,259,414.31)</u>	N/A			<u>1.10%</u>	<u>449</u>
Total Portfolio:			<u>\$ 1,011,479,090.88</u>	<u>\$ 1,009,219,676.57</u>	<u>\$ (2,259,414.31)</u>	N/A			<u>1.04%</u>	<u>392</u>

Legend:

- Automated Regional Justice Information System (ARJIS)
- Commercial Paper (CP)
- State of California Local Agency Investment Fund (LAIF)
- North County Transit District (NCTD)
- San Diego County Regional Transportation Commission (RTC)



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – INFORMATION

**QUARTERLY PROGRESS REPORT ON TRANSPORTATION
PROJECTS – OCTOBER THROUGH DECEMBER 2016**

File Number 1500000

Introduction

This quarterly report summarizes the status of major transit, highway, traffic management, and Transportation Demand Management (TDM) projects in the SANDAG five-year Regional Transportation Improvement Program. The *TransNet* one-half cent local sales tax and other local, state, and federal revenue sources fund these projects. The projects contained in this report have been prioritized and are included in San Diego Forward: The Regional Plan. All information shown in bold in the attachments has changed from the previous quarter; this report will highlight some of those changes. This item is presented to the Board of Directors for information.

Discussion

TransNet Program

Attachment 1 – *TransNet* Extension Quarterly Report – indicates sales tax revenue available for allocation was nearly \$72.2 million in the second quarter of FY 2017. Revenue for this quarter of the fiscal year was approximately 2.6 percent higher compared to the first quarter of FY 2017 (a little over \$70.3 million). In a similar fashion, *TransNet* revenue in the second quarter of this fiscal year was approximately 2.6 percent higher than the second quarter of last fiscal year (nearly \$70.4 million).

Transit Projects

Attachment 2 – Transit Projects – provides cost and schedule information on the major transit and rail projects in the San Diego region. The accompanying map (Attachment 3 – Major Transit Projects) locates these projects.

San Elijo Lagoon Double Track (Project No. 12): The San Elijo Lagoon Double Track project began construction in January 2017. It will add 1.5 miles of second main track from Cardiff-by-the-Sea to the southern border of the San Elijo Lagoon and replace the more than 60-year-old wooden trestle San Elijo Lagoon rail bridge with a modern, double-track, concrete bridge. The project is expected to open to the public in 2019.

Sorrento to Miramar Phase 2 (Project No. 16): The Draft Environmental Document was completed in November 2016 for the Sorrento to Miramar Phase 2 curve realignment and second

track project. This project will lessen the impacts from the sharpest curves and steepest grades in the region resulting in the possibility of higher train speeds.

San Diego River Bridge (Project No. 17): The San Diego River Bridge project began construction in October 2016. This project will add a second main track from Tecolote Road to just north of the Old Town Transit Center. The new 0.9-mile track will connect to the existing double track at each end, resulting in a continuous seven-mile double track segment for the southernmost portion of the Los Angeles-San Diego-San Luis Obispo (LOSSAN) rail corridor from Balboa Avenue to Santa Fe Depot. The project, currently in construction, is expected to be completed in 2019.

Chesterfield Drive Crossing (Project No. 19): The Chesterfield Drive Crossing project began construction in January 2017. This project will improve safety and access at Chesterfield Drive by constructing sidewalk curb extensions, a multi-use bikeway and pedestrian path, rail crossing signals and gates, and improved signage. The project is located within the City of Encinitas in the Cardiff-by-the-Sea community where Chesterfield Drive crosses the LOSSAN railroad tracks. The project is being constructed concurrently with the San Elijo Lagoon Double Track project. The crossing is expected to be open to the public in 2018.

Downtown Bus Rapid Transit (BRT) Stations (Project No. 20): Eleven Bus Rapid Transit stations between Santa Fe Depot (Kettner Boulevard) and Smart Corner (Park Boulevard) were completed in October 2016 to serve the *Rapid* bus routes. The enhancements include upgraded station platforms with lit shelters and 16-foot high pylons with built-in monitors that stream media and real-time bus arrivals.

Active Transportation Projects

Attachment 4 – Active Transportation Projects (includes projects related to bicycle, pedestrian, and access to transit infrastructure) provides cost and schedule information on the Active Transportation projects in the San Diego region. The accompanying map (Attachment 5 – Major Active Transportation Projects) locates these projects.

Coastal Rail Trail Encinitas Bikeway: E Street to Chesterfield (Project No. 31): – In January 2017, the Coastal Rail Trail Encinitas Bikeway: E Street to Chesterfield Drive Project received environmental clearance through California Environmental Quality Act (CEQA) exemption. The proposed project will provide approximately 1.3 miles of a shared-use bicycle and pedestrian path along the west side of Coast Highway 101 from Chesterfield Drive to the Santa Fe Drive undercrossing in the City of Encinitas.

Pershing Bikeway: Landis Street to C Street (Project No. 45): In January 2017, the Pershing Bikeway Project received environmental clearance through CEQA exemption. The 2.6-mile Pershing Bikeway will begin in North Park at the intersection of Utah and Landis streets. This project will improve north-south connectivity for people who bike and walk through Balboa Park and between North Park and Downtown San Diego.

Express/High Occupancy Vehicle Lanes and Direct Access Ramp Projects

Attachment 6 – Express/High Occupancy Vehicle (HOV) Lanes and Direct Access Ramp (DAR) Projects – provides cost and schedule information on the major Express/HOV and DAR projects in the

San Diego region. The accompanying map (Attachment 7 – Express/HOV lanes and DAR Projects) locates these projects.

I-5 North Coast Corridor (Project No. 60): The I-5 North Coast project began construction in January 2017. This project will construct two HOV lanes in the median of Interstate 5 (I-5) from Lomas Santa Fe Drive in Solana Beach to State Route 78. Additionally, the highway bridges over the San Elijo and Batiquitos lagoons will be replaced with wider and longer bridges to accommodate the carpool lanes and improve lagoon tidal flow. The project is expected to be completed in 2021.

I-5/Gilman Drive Bridge (Project No. 62): The construction of the new bridge crossing over I-5 began in November 2016. The new bridge, located north of the La Jolla Village Drive bridge and south of the Voigt Drive bridge, will expand connectivity of the UC San Diego transportation system between Gilman Drive and Medical Center Drive South, providing a necessary and direct link for pedestrian, bicycle, and vehicle traffic between the main campus and the medical research and teaching facilities located on the east campus. Bridge construction is anticipated to be completed in 2018.

I-805 Managed Lane – South Palomar Street to SR 94 Direct Access Ramp (Project No. 65): In January 2017 the East Palomar DAR opened to the public. Construction of the East Palomar Street DAR, Transit Station, and Park & Ride is part of the first phase of the Interstate 805 South Express Lanes Project. The project will provide travelers with convenient access to the South Bay *Rapid*, and offers a convenient location from which transit, carpools, vanpools, motorcycles, and solo drivers in permitted clean-air vehicles can access the carpool (HOV) lanes.

Highway Projects

Attachment 8 – Highway Projects – provides cost and schedule information on the major highway projects in the San Diego region. The accompanying map (Attachment 9 – Major Highway Projects) locates these projects.

SR 905/125/11 Northbound Connectors (Project No. 75) The SR 905/125/11 Northbound Connectors Project opened to the public in November 2016. This project provides northbound connectors to State Route 125 (SR 125) from eastbound State Route 905 (SR 905), westbound SR 905, and westbound State Route 11 (SR 11). The connectors also will link to the future Otay Mesa East Port of Entry via SR 11 once it is constructed.

Transportation Demand Management

iCommute Program: iCommute is the TDM division of SANDAG and promotes the use of transportation alternatives by providing services such as online trip planning and ridematching, the SANDAG Regional Vanpool Program, employer and community outreach, bicycle encouragement programs, and a Guaranteed Ride Home service.

SANDAG Regional Vanpool Program: The Regional Vanpool Program provides commuters with a cost-effective alternative to driving alone. The second quarter ended with 725 vanpools and more than 5,460 vanpool program participants. Participants in the Regional Vanpool Program reduced over 33 million vehicle miles, more than 1.5 million gallons of gasoline, and over 31 million pounds of carbon dioxide emissions.

Employer Outreach: iCommute works with employers throughout the region to develop and implement commuter programs that encourage their employees to carpool, vanpool, bike or walk to work, take transit, or telework. At the end of the second quarter, 108 employers were actively engaged in the iCommute employer services program.

The Rideshare 2016 campaign was held throughout the month of October. Eighty-four employers, representing more than 200,000 employees, participated in the Rideshare Corporate Challenge and encouraged their employees to try a transportation alternative during the month of October. During Rideshare month, commuters logged nearly 50,000 trips, totaling more than 1 million miles reduced. Overall, Rideshare Month participants saved more than 37,000 gallons of gasoline and helped reduce traffic congestion and greenhouse gas emissions throughout the region.

Bike Encouragement Program: iCommute supports the regional bike network and facilitates commuting by bike by providing services such as Bike Month and Bike to Work Day events, the Regional Bike Parking Program, and the San Diego Regional Bike Map. iCommute provides access to secure bike parking at more than 60 transit stations and Park & Ride lots throughout the region. As of the end of December, there were 634 commuters enrolled in the Regional Bike Parking Program. This is down from 667 members at the end of the first quarter. The slight decrease in membership is related to a membership renewal process that is underway. Inactive members have declined renewal and returned their keys.

Guaranteed Ride Home: The Guaranteed Ride Home program provides commuters who carpool, vanpool, take transit, walk, or bike to work, a free ride home from work in the event of an emergency, illness, or unscheduled overtime. During the second quarter of FY 2017, 346 new participants enrolled in the Guaranteed Ride Home program, increasing membership by 40 percent, to a total of 1,208 commuters.

511 Services: The 511 application provides real-time access to traveler information and is led by SANDAG in partnership with the California Highway Patrol, Caltrans, Metropolitan Transit System and North County Transit District (NCTD). 511 is a free phone and web service that consolidates San Diego's regional transportation information into a one-stop resource and provides up-to-the minute information on traffic conditions; incidents and driving times; schedule, route, and fare information for public transportation; carpool and vanpool referrals; bicycling information; current toll rates for the Interstate 15 Express Lanes and South Bay Expressway; and more. Future updates to the application will include transit arrival times, NCTD transit information, and a My511sd feature, which will allow users to program their route(s) to receive customized alerts at their chosen travel time.

During the second quarter of FY 2017, 511 received approximately 52,358 calls while the 511 web portal page (www.511sd.com) received approximately 125,290 total page views. The 511 service continues to be utilized as a one-stop resource that consolidates San Diego region transportation information into easily accessible phone and website systems.

Freeway Service Patrol

Attachment 10 – Freeway Service Patrol (FSP) Assists Map – summarizes the number of assists by the FSP. The San Diego region has 23 FSP tow trucks which patrol approximately 222 miles of San Diego freeways. These FSP trucks operate during weekday peak periods from 5:30 to 9:30 a.m. and from

2:30 to 6:30 p.m., excluding holidays. An additional 12 tow trucks patrol approximately 212 miles during extended service during midday from 10 a.m. to 2 p.m. and weekends from 10 a.m. to 6 p.m.

In addition, eight roving trucks supplement the peak tow patrol for an additional 160 miles, which overlap peak tow beats and three supplementary FSP trucks patrol Caltrans construction sites as part of the Caltrans Transportation Management Plan. During the second quarter of FY 2017, this program provided approximately 21,050 assists, a decrease of approximately 12.4 percent over last quarter (24,019 assists), which includes approximately 2,714 assists during weekend beats in the San Diego region.

GARY L. GALLEGOS
Executive Director

- Attachments:
1. *TransNet* Extension Quarterly Report
 2. Transit Projects
 3. Major Transit Projects (map)
 4. Active Transportation Projects
 5. Major Active Transportation Projects (map)
 6. Express/HOV Lanes and DAR Projects
 7. Major Express/HOV Lanes and DAR Projects (map)
 8. Highway Projects
 9. Major Highway Projects (map)
 10. Freeway Service Patrol Assists (map)

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TransNet EXTENSION QUARTERLY REPORT

FISCAL YEAR: FY 2017 QUARTER: 2												
PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements						
	Sales Tax Allocations			Other Income ¹	Total Allocation	Program Disbursements ²			Debt Service ³			Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date	Program to Date
SANDAG Admin	\$721,938	\$1,425,312	\$20,786,421	\$143,177	\$20,929,598	\$(710,000)	\$(1,495,000)	\$(20,571,548)	\$0	\$0	\$0	\$(20,571,548)
ITOC	\$0	\$0	\$1,730,878	\$22,977	\$1,753,855	\$(27,314)	\$(67,858)	\$(1,540,792)	\$0	\$0	\$0	\$(1,540,792)
Bicycle/Pedestrian/Neighborhood Safety	\$1,443,876	\$2,850,624	\$41,572,842	\$3,667,645	\$45,240,487	\$(1,871,563)	\$(2,847,035)	\$(38,293,410)	\$0	\$0	\$0	\$(38,293,410)
Major Corridor Capital Projects	\$26,610,642	\$52,537,006	\$765,529,750	\$(67,365,919)	\$698,163,831	\$(120,508,734)	\$(29,035,416)	\$(1,819,573,805)	\$(15,919,055)	\$(76,803,624)	\$(601,210,386)	\$(2,420,784,191)
Major Corridor Project EMP	\$3,081,232	\$6,083,232	\$88,640,287	\$12,995,003	\$101,635,290	\$(5,453,588)	\$(6,631,072)	\$(210,652,572)	\$(3,473,015)	\$(12,393,555)	\$(140,148,729)	\$(350,801,301)
Local Project EMP	\$1,260,504	\$2,488,595	\$36,261,936	\$966,386	\$37,228,322	\$(304)	\$(1,120)	\$(8,438,585)	\$0	\$0	\$0	\$(8,438,585)
Smart Growth Incentive Program	\$1,470,588	\$2,903,361	\$42,305,591	\$1,003,262	\$43,308,853	\$(248,079)	\$(249,031)	\$(18,694,899)	\$0	\$0	\$0	\$(18,694,899)
Local Streets and Roads												
City of Carlsbad	\$716,532	\$1,414,747	\$20,372,931	\$8,208,256	\$28,581,187	\$(1,050,172)	\$(1,050,633)	\$(11,794,180)	\$0	\$0	\$0	\$(11,794,180)
City of Chula Vista	\$1,484,824	\$2,931,342	\$40,902,799	\$4,229,909	\$45,132,708	\$(3,667,714)	\$(4,111,990)	\$(34,556,996)	\$0	\$0	\$0	\$(34,556,996)
City of Coronado	\$147,914	\$292,304	\$4,343,538	\$830,101	\$5,173,639	\$(33)	\$(200,122)	\$(3,985,222)	\$0	\$0	\$0	\$(3,985,222)
City of Del Mar	\$49,981	\$98,986	\$1,572,514	\$163,810	\$1,736,324	\$(9)	\$(34)	\$(4,002,293)	\$(49,321)	\$(98,625)	\$(1,146,441)	\$(5,148,734)
City of El Cajon	\$604,227	\$1,193,059	\$17,407,478	\$2,295,658	\$19,703,136	\$(997,144)	\$(1,032,532)	\$(16,781,102)	\$0	\$0	\$0	\$(16,781,102)
City of Encinitas	\$412,339	\$814,276	\$12,176,147	\$3,587,143	\$15,763,290	\$(1,622,603)	\$(1,622,866)	\$(11,962,725)	\$0	\$0	\$0	\$(11,962,725)
City of Escondido	\$888,639	\$1,754,483	\$25,638,412	\$4,921,287	\$30,559,699	\$(800,214)	\$(800,787)	\$(17,557,732)	\$0	\$0	\$0	\$(17,557,732)
City of Imperial Beach	\$174,076	\$343,949	\$5,214,296	\$555,868	\$5,770,164	\$(308,090)	\$(360,246)	\$(5,444,964)	\$0	\$0	\$0	\$(5,444,964)
City of La Mesa	\$391,693	\$773,519	\$11,297,662	\$3,265,372	\$14,563,034	\$(93)	\$(341)	\$(13,536,183)	\$(131,966)	\$(263,643)	\$(2,419,271)	\$(15,955,454)
City of Lemon Grove	\$179,270	\$354,202	\$5,219,232	\$578,215	\$5,797,447	\$(345,063)	\$(345,172)	\$(3,940,049)	\$0	\$0	\$0	\$(3,940,049)
City of National City	\$350,629	\$692,460	\$10,160,532	\$1,131,144	\$11,291,676	\$(830,083)	\$(830,304)	\$(12,064,715)	\$(95,560)	\$(190,491)	\$(7,001,527)	\$(19,066,242)
City of Oceanside	\$1,148,187	\$2,266,827	\$33,598,756	\$8,445,842	\$42,044,598	\$(2,970,277)	\$(2,971,021)	\$(31,948,257)	\$0	\$0	\$0	\$(31,948,257)
City of Poway	\$376,560	\$743,647	\$11,121,797	\$1,150,414	\$12,272,211	\$(590,089)	\$(590,327)	\$(11,713,437)	\$0	\$0	\$0	\$(11,713,437)
City of San Diego	\$8,108,413	\$16,006,189	\$232,503,174	\$25,160,218	\$257,663,392	\$(13,930,859)	\$(16,408,604)	\$(220,004,043)	\$0	\$0	\$0	\$(220,004,043)
City of San Marcos	\$543,576	\$1,073,334	\$15,131,410	\$3,023,291	\$18,154,701	\$(130)	\$(477)	\$(22,764,481)	\$(90,365)	\$(326,208)	\$(3,766,461)	\$(26,530,942)
City of Santee	\$364,203	\$719,254	\$10,560,743	\$1,084,324	\$11,645,067	\$(2,055,832)	\$(2,497,062)	\$(20,270,806)	\$(241,964)	\$(483,170)	\$(8,543,818)	\$(28,814,624)
City of Solana Beach	\$109,462	\$216,401	\$3,266,250	\$441,797	\$3,708,047	\$(21,301)	\$(21,364)	\$(7,205,708)	\$(28,258)	\$(109,352)	\$(1,385,309)	\$(8,591,017)

PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements						
	Sales Tax Allocations			Other Income ¹	Total Allocation	Program Disbursements ²			Debt Service ³			Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date	Program to Date
City of Vista	\$569,119	\$1,123,756	\$16,547,682	\$3,583,896	\$20,131,578	\$(907,637)	\$(908,001)	\$(16,960,117)	\$0	\$0	\$0	\$(16,960,117)
San Diego County	\$3,758,507	\$7,419,550	\$109,199,270	\$13,360,218	\$122,559,488	\$(2,697,914)	\$(3,603,675)	\$(111,127,124)	\$(342,007)	\$(683,035)	\$(17,164,345)	\$(128,291,469)
Total Local Streets and Roads	\$20,378,151	\$40,232,285	\$586,234,623	\$86,016,763	\$672,251,386	\$(32,795,257)	\$(37,355,558)	\$(577,620,134)	\$(979,441)	\$(2,154,524)	\$(41,427,172)	\$(619,047,306)
Transit Services												
MTS	\$7,955,013	\$15,705,467	\$228,191,521	\$316,326	\$228,507,847	\$(7,853,813)	\$(12,720,450)	\$(225,497,145)	\$0	\$0	\$0	\$(225,497,145)
NCTD	\$3,224,083	\$6,365,260	\$93,406,520	\$146,588	\$93,553,108	\$(3,190,778)	\$(6,542,865)	\$(91,111,026)	\$(29,702)	\$(68,713)	\$(1,124,786)	\$(92,235,812)
Senior Grant Program	\$375,525	\$741,394	\$10,803,035	\$101,281	\$10,904,316	\$(161,427)	\$(161,670)	\$(9,607,511)	\$0	\$0	\$0	\$(9,607,511)
Total Transit Services	\$11,554,621	\$22,812,121	\$332,401,076	\$564,195	\$332,965,271	\$(11,206,018)	\$(19,424,985)	\$(326,215,682)	\$(29,702)	\$(68,713)	\$(1,124,786)	\$(327,340,468)
New Major Corridor Transit Operations	\$5,672,268	\$11,198,678	\$163,178,710	\$4,398,471	\$167,577,181	\$(832,755)	\$(3,912,563)	\$(39,577,724)	\$0	\$0	\$0	\$(39,577,724)
TOTAL TRANSNET EXTENSION	\$72,193,820	\$142,531,214	\$2,078,642,114	\$42,411,960	\$2,121,054,074	\$(173,653,612)	\$(101,019,638)	\$(3,061,179,151)	\$(20,401,213)	\$(91,420,416)	\$(783,911,073)	\$(3,845,090,224)

Commercial Paper Program Activity

PROGRAM & RECIPIENT	Commercial Paper Disbursements	
	FY to Date	Program to Date
City of National City	\$0	\$(4,500,000)
City of Santee	\$0	\$(3,950,000)
NCTD	\$0	\$(34,000,000)
City of La Mesa	\$0	\$(2,500,000)
City of Del Mar	\$0	\$(704,000)
Major Corridor Capital Projects	\$0	\$(72,413,679)
Major Corridor Project EMP	\$0	\$(16,052,321)
Total CP Disbursements	\$0	\$(134,120,000)

PROGRAM & RECIPIENT	Commercial Paper Program Availability			
	Prior Years	This Quarter	FY to Date	Program to Date
CP Program	\$75,000,000	\$0	\$0	\$75,000,000
NCTD	\$(28,075,000)	\$0	\$1,325,000	\$(26,750,000)
City of La Mesa	\$(480,000)	\$345,000	\$345,000	\$(135,000)
City of Oceanside	\$0	\$0	\$0	\$0
Major Corridor Capital Projects	\$(41,096,679)	\$0	\$41,096,679	\$0
Major Corridor Project EMP	\$(5,348,321)	\$0	\$5,348,321	\$0
CP AVAILABLE FOR ISSUANCE	\$0	\$345,000	\$48,115,000	\$48,115,000

Note: The City of Oceanside has not drawn against the Commercial Paper agreement of \$5 Million.

Other Activity				
PROGRAM & RECIPIENT	Sales Tax Revenue Transfers for EMP Debt Service Payments			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$(16,868,725)	\$(2,309,185)	\$3,438,540	\$(13,430,185)
Major Corridor Project EMP	\$16,868,725	\$2,309,185	\$(3,438,540)	\$13,430,185
Total Other Activity	\$0	\$0	\$0	\$0

2008 ABCD Sales Tax Revenue Bond Activity - \$600,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁴			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$16,893,500	\$0	\$0	\$16,893,500
Major Corridor Capital Projects	\$392,721,119	\$0	\$0	\$392,721,119
Major Corridor Project EMP	\$45,517,182	\$0	\$0	\$45,517,182
<i>Total 2008 Bond Disbursement</i>	\$455,131,801	\$0	\$0	\$455,131,801

2010 A Sales Tax Revenue Bond Activity - \$338,960,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁵			
	Prior Years	This Quarter	FY to Date	Program to Date
City of San Marcos	\$15,253,815	\$0	\$0	\$15,253,815
City of Solana Beach	\$5,515,065	\$0	\$0	\$5,515,065
Major Corridor Capital Projects	\$276,292,690	\$0	\$0	\$276,292,690
Major Corridor Project EMP	\$43,419,140	\$0	\$0	\$43,419,140
<i>Total 2010 A Bond Disbursement</i>	\$340,480,710	\$0	\$0	\$340,480,710

2010 B Sales Tax Revenue Bond Activity - \$11,040,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁵			
	Prior Years	This Quarter	FY to Date	Program to Date
City of National City	\$3,383,956	\$0	\$0	\$3,383,956
City of Santee	\$8,519,844	\$0	\$0	\$8,519,844
<i>Total 2010 B Bond Disbursement</i>	\$11,903,800	\$0	\$0	\$11,903,800

2012 A Sales Tax Revenue Bond Activity - \$420,585,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ^{4,5,6}			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$6,032,360	\$0	\$0	\$6,032,360
Major Corridor Capital Projects	\$428,890,327	\$0	\$0	\$428,890,327
Major Corridor Project EMP	\$42,366,080	\$0	\$0	\$42,366,080
<i>Total 2012 A Bond</i>	\$477,288,767	\$0	\$0	\$477,288,767

2014 A Sales Tax Revenue Bond Activity - \$350,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁶			
	Prior Years	This Quarter	FY to Date	Program to Date
City of Del Mar	\$2,717,864	\$201,007	\$201,007	\$2,918,871
City of San Marcos	\$1,202,714	\$0	\$0	\$1,202,714
City of Santee	\$2,972,209	\$1,868,745	\$1,868,745	\$4,840,954
Major Corridor Capital Projects	\$343,784,800	\$0	\$0	\$343,784,800
Major Corridor Project EMP	\$52,233,981	\$0	\$0	\$52,233,981
<i>Total 2014 A Bond Disbursement</i>	\$402,911,568	\$2,069,752	\$2,069,752	\$404,981,320

2016 A Sales Tax Revenue Bond Activity - \$325,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁶			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$0	\$59,388,128	\$120,335,973	\$120,335,973
Major Corridor Project EMP	\$0	\$3,531,087	\$16,370,482	\$16,370,482
<i>Total 2016 A Bond Disbursement</i>	\$0	\$62,919,215	\$136,706,455	\$136,706,455

FOOTNOTES:

1. Other income includes interest revenue, transfers from TransNet I, other non-sales tax revenue, and the one-time swap of Major Corridor Sales Tax Revenue (to LSI Cities and County) for ARRA funds.
2. Program Disbursements include payments to TransNet recipient agencies and program costs, including payments made for Early Action Projects in prior years, and return of funds.
3. Debt Service includes principal and interest payments, including debt payments beginning in March 2008 upon issuance of the 2008 ABCD Sales Tax Revenue Bonds, and other debt service costs net of interest earnings.
4. 2008 Bond Proceeds have been fully disbursed, net of Reserve Requirement of \$17.1 million. The Program to Date total includes interest earnings. The 2008 Bonds were partially defeased with the issuance of the 2012 Bonds on June 14, 2012, thereby reducing the 2008 Bond Proceed Disbursement.
5. 2010 and 2012 Bond Proceeds have been fully disbursed and the Program to Date includes interest earnings.
6. The 2012 Bond total includes a premium of \$55.8 million, the 2014 Bond total includes a premium of \$55.3 million, and the 2016 Bond total includes a premium of \$78.8 million.

Transit Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		<i>TransNet</i> Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
1	1201507/ SAN26C	SR-15 <i>Rapid</i> Mid-City Centerline Stations	Construction	Sep-17	\$61,349	\$61,349	2017	Yes	Yes
2	1201514/ SAN129	Downtown BRT Multiuse and Bus Stopover Facility	Design	Nov-17	\$45,975	TBD	TBD	Yes	Yes
3	1280504/ SAN47	South Bay <i>Rapid</i> Otay Mesa to Downtown Bus Rapid Transit Guideway	Construction	Sep-18	\$112,926	\$120,686	2018	Yes	Yes
4	1280513/ SAN224	I-805/ SR 94 Bus on Shoulder Demonstration	Design	Mar-17	\$30,900	\$30,900	2018	Yes	Yes
5	1049600/ SAN52	East County Maintenance Facility Maintenance and Operation Facility	Construction	May-17	\$44,957	\$44,957	2017	Yes	No
6*	1257001/ SAN23	Mid-Coast Light Rail Transit (LRT) Old Town to University Towne Centre	Construction	Sep-21	\$2,171,000	\$2,171,000	2021	Yes	Yes
7	1145300/ SAN199	<i>North Coast Corridor</i> Rose Canyon 3 Bridge Replacements	Final Environmental	Sep-17	\$1,419	\$14,500	TBD	Yes	No
8	1145000/ SAN163	<i>North Coast Corridor</i> Los Peñasquitos Lagoon 4 Bridge Replacements	Construction	May-17	\$35,508	\$35,508	2017	Yes	No
9	1145400/ SAN200	<i>North Coast Corridor</i> San Onofre 3 Bridge Replacements	Final Environmental	Sep-17	\$9,938	\$13,641	TBD	Yes	No

Project changes from previous report are in bold
Funding/Budget data as provided in the FY 2017 Program Budget

Transit Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		TransNet Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
10	1239803/ SAN116	<i>North Coast Corridor</i> Oceanside Station Stub Tracks and Crossover	Construction	Feb-18	\$25,927	\$27,127	2018	Yes	Yes
11	1239805/ SAN117	<i>North Coast Corridor</i> Poinsettia Station/Carlsbad Run-Through Track	Design	May-17	\$23,748	\$27,728	2019	Yes	Yes
12	1239806/ SAN73	<i>North Coast Corridor</i> San Elijo Lagoon Double Tracking	Construction	Oct-19	\$72,849	\$72,849	2019	Yes	Yes
13	1239809/ SAN64	<i>North Coast Corridor</i> Eastbrook to Shell Double Tracking	Design	Jan-18	\$6,920	\$69,842	TBD	TBD	Yes
14	1239810/ SAN130	<i>North Coast Corridor</i> Carlsbad Village Double Tracking	Draft Environmental	Feb-17	\$5,680	\$59,787	TBD	TBD	Yes
15	1239811/ SAN132	<i>North Coast Corridor</i> Elvira to Morena Double Tracking	Construction	Jul-20	\$170,413	\$192,521	2020	Yes	Yes
16	1239812/ SAN29	<i>North Coast Corridor</i> Sorrento-Miramar Curve Realignment & 2nd Track - Phase II	Final Environmental	Dec-17	\$11,000	\$98,071	TBD	TBD	Yes
17	1239815/ SAN182	<i>North Coast Corridor</i> San Diego River Bridge	Construction	Sep-19	\$93,866	\$93,866	2019	Yes	Yes

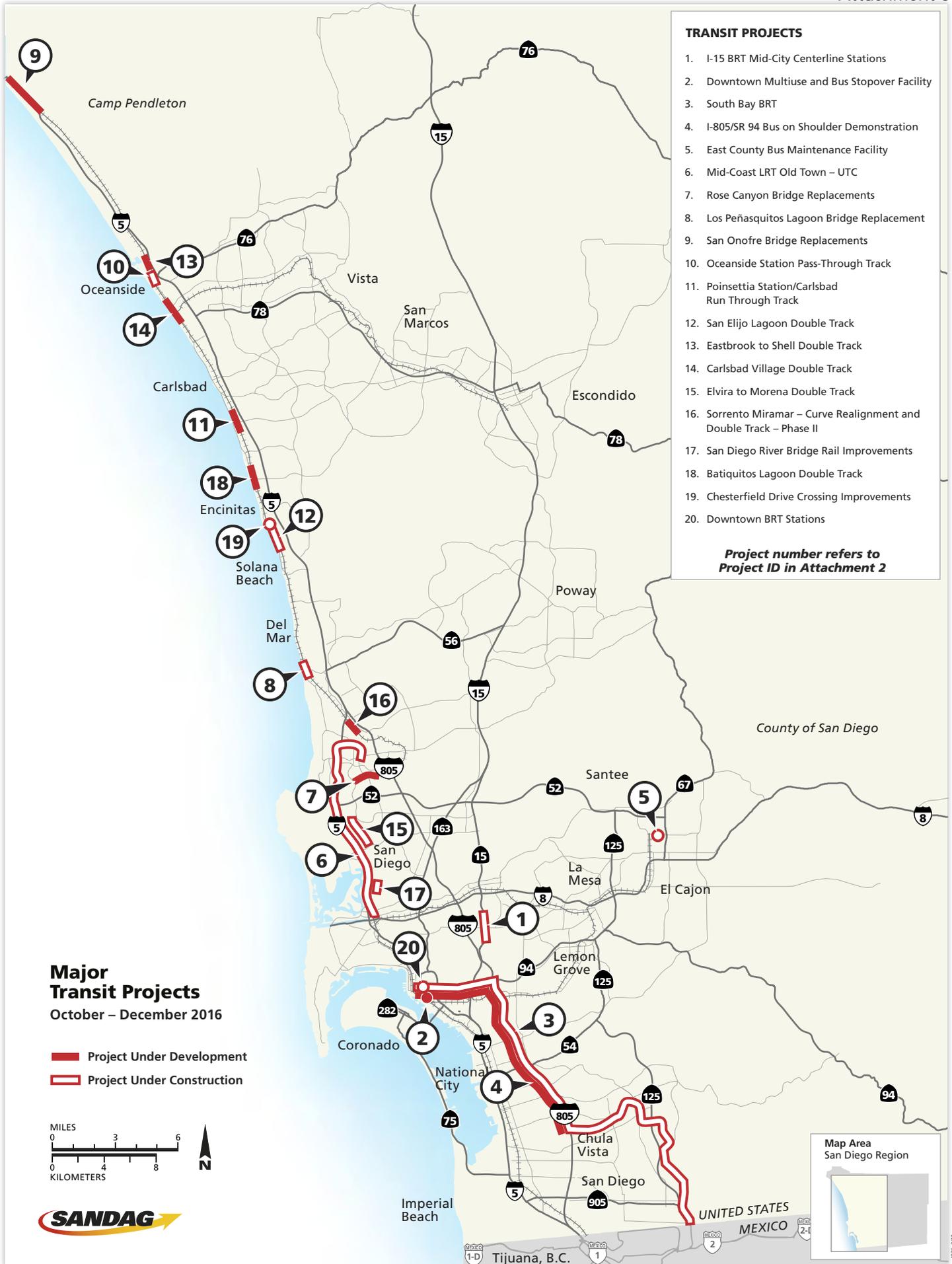
Project changes from previous report are in bold

Funding/Budget data as provided in the FY 2017 Program Budget

Transit Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		<i>TransNet</i> Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
18	1239816/ SAN183	<i>North Coast Corridor</i> Batiqitos Lagoon Double Track	Design	Apr-17	\$52,900	\$68,900	2019	Yes	Yes
19	1239817/ SAN73A	Chesterfield Drive Crossing Improvements	Construction	Jul-18	\$6,179	\$6,179	2018	Yes	Yes
20	1201509 SAN 26B	Downtown BRT Stationns	Complete	Oct-16	\$21,000	\$21,000	Complete	Yes	Yes
<i>Total for Transit Projects</i>					Approved Budget	Cost to Complete			
					<u>\$3,004,454</u>	<u>\$3,230,411</u>			

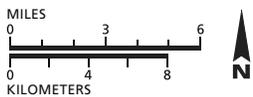
**Project funding includes eligible finance costs associated with project*



- TRANSIT PROJECTS**
1. I-15 BRT Mid-City Centerline Stations
 2. Downtown Multiuse and Bus Stopover Facility
 3. South Bay BRT
 4. I-805/SR 94 Bus on Shoulder Demonstration
 5. East County Bus Maintenance Facility
 6. Mid-Coast LRT Old Town – UTC
 7. Rose Canyon Bridge Replacements
 8. Los Peñasquitos Lagoon Bridge Replacement
 9. San Onofre Bridge Replacements
 10. Oceanside Station Pass-Through Track
 11. Poinsettia Station/Carlsbad Run Through Track
 12. San Elijo Lagoon Double Track
 13. Eastbrook to Shell Double Track
 14. Carlsbad Village Double Track
 15. Elvira to Morena Double Track
 16. Sorrento Miramar – Curve Realignment and Double Track – Phase II
 17. San Diego River Bridge Rail Improvements
 18. Batiqitos Lagoon Double Track
 19. Chesterfield Drive Crossing Improvements
 20. Downtown BRT Stations
- Project number refers to Project ID in Attachment 2*

Major Transit Projects
October – December 2016

- █ Project Under Development
- █ Project Under Construction



Active Transportation Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		<i>TransNet</i> Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
30	1223016/ SAN155	Coastal Rail Trail Rose Creek South of SR 52 to Mission Bay	Design	Mar-17	\$20,636	\$20,636	2018	Yes	Yes
31	1223017/ SAN156	Coastal Rail Trail Encinitas – E St to Chesterfield Dr.	Design	Feb-18	\$6,133	\$6,133	2019	TBD	Yes
32	1223018/ SAN207	Coastal Rail Trail Encinitas - Chesterfield Dr. to Solana Beach	Draft Environmental	Mar-18	\$102	TBD	TBD	TBD	Yes
33*	1223023/ SAN153	Inland Rail Trail - Phase 1 County Line to N. Pacific Street San Marcos Segment	Construction	Feb-17	\$48,775	\$48,775	2016	Yes	Yes
34*	1223023/ SAN153	Inland Rail Trail - Phases 2 - 4 Melrose Drive to County Line	Design	Mar-17	-	-	2018	Yes	Yes
35**	1143700/ SAN144	Bayshore Bikeway - Segment 5 32nd Street to National City Marina	Begin Construction	Jan-17	\$7,985	\$7,985	2017	Yes	Yes
36	1129900/ SAN154	Bayshore Bikeway - Segment 8B Main St. to Palomar	Design	Jan-18	\$3,023	\$3,023	2018	Yes	Yes
37	1223055/ SAN195	Bayshore Bikeway Barrio Logan	Final Environmental	Apr-17	\$13,571	\$13,571	2019	Yes	Yes
38	1223020/ SAN158	North Park/Mid-City Bikeways: Robinson Bikeway	Design	Jul-17	\$5,946	\$5,946	2018	Yes	Yes
39	1223022/ SAN160	Uptown Bikeways: Fourth and Fifth Avenue Bikeways	Design	Jun-17	\$20,910	\$20,910	2018	Yes	Yes
40	1223014/ CAL330	SR 15 Commuter Bike Facility Camino del Rio South to Adams Ave	Construction	May-17	\$14,465	\$14,465	2017	Yes	Yes
41	1223054/ SAN204	Central Avenue Bikeway Adams Ave to Landis Street	Draft Environmental	Mar-17	\$904	\$1,400	TBD	Yes	Yes

Project changes from previous report are in bold

Funding/Budget data as provided in the FY 17 Program Budget

Active Transportation Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		TransNet Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
42	1223052/ SAN197	San Diego River Trail Qualcomm Stadium	Design	Mar-17	\$2,286	\$2,286	2017	Yes	Yes
43	1223053/ SAN198	San Diego River Trail Carlton Oaks Segment	Design	May-17	\$1,582	\$10,228	TBD	TBD	Yes
44	1223056/ SAN203	Border to Bayshore Bikeway Along Palm Ave	Final Environmental	Feb-18	\$12,216	\$12,216	TBD	Yes	Yes
45	1223057/ SAN205	Pershing Bikeway Landis Street to C Street	Design	Mar-17	\$1,730	TBD	TBD	TBD	Yes
46	1223058/ SAN206	Downtown Bikeway Imperial Ave from 47th St to Park Blvd	Final Environmental	Dec-17	\$4,510	TBD	TBD	TBD	Yes
47	1223078/ SAN229	North Park/Mid-City Bikeways: Landis Bikeway	Design	Jul-18	\$4,471	\$4,471	2018	Yes	Yes
48	1223079/ SAN230	North Park/Mid-City Bikeways: Howard-Orange Bikeway	Final Environmental	Jul-17	\$359	TBD	TBD	TBD	Yes
49	1223080/ SAN238	North Park/Mid-City Bikeways: Monroe Bikeway	Final Environmental	Sep-17	\$333	TBD	TBD	TBD	Yes
50	1223081/ SAN232	North Park/Mid-City Bikeways: University Bikeway	Final Environmental	Sep-17	\$426	TBD	TBD	TBD	Yes
51	1223082/ SAN233	North Park/Mid-City Bikeways: Georgia-Meade Bikeway	Design	Apr-18	\$8,394	\$8,394	2018	Yes	Yes
52	1223083/ SAN234	Uptown Bikeways: Eastern Hillcrest Bikeways	Design	Nov-18	\$5,379	\$5,379	2019	Yes	Yes
53	1223084/ SAN235	Uptown Bikeways: Washington Street and Mission Valley Bikeways	Design	May-20	\$1,220	TBD	TBD	TBD	Yes

Project changes from previous report are in bold

Funding/Budget data as provided in the FY 17 Program Budget

Active Transportation Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		<i>TransNet</i> Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
54	1223085/ SAN236	Uptown Bikeways: Mission Hills and Old Town Bikeways	Design	May-20	\$358	TBD	TBD	TBD	Yes
55	1223086/ SAN237	Uptown Bikeways: Park Boulevard Bikeway	Final Environmental	TBD	\$568	TBD	TBD	TBD	Yes
<i>Total for Active Transportation Projects</i>					<u>Approved Budget</u>	<u>Cost to Complete</u>			
					<i>\$186,282</i>	<i>\$185,818</i>			

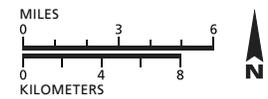
**Project funding shown in Segment 1 is a combination of Segments 1-4 as shown in CIP 1223023*

***Project funding shown in Segment 4 is combination of both Segments 4 and 5 as shown in CIP 1143700*



Major Active Transportation Projects
 October – December 2016

- Project Under Development
- Project Under Construction



Express/HOV Lanes and Direct Access Ramp (DAR) Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		TransNet Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
60	1200504/ CAL09	<i>I-5 North Coast Corridor</i> Manchester Avenue to SR 78 2 HOV Lanes/Noise Barriers	Construction	Mar-21	\$471,800	\$851,000	2021	Yes	Yes
61	1200507/ CAL369	I-5/Voigt La Jolla Village Drive and Genessee Avenue	Design	Oct-17	\$6,000	TBD	TBD	TBD	Yes
62	1200508/ CAL399	I-5/Gilman Drive Bridge Gilman Drive to Medical Center Drive	Construction	Dec-18	\$15,000	\$15,000	2018	Yes	Yes
63	1207801/ CAL278	SR 78 HOV/Managed Lanes SR 78 from I-5 to I-15	Project Study	Jun-17	\$1,683	TBD	TBD	TBD	Yes
64	1280508/ CAL67	SR 94 Express Lanes I-5 to I-805 2 HOV Lanes & Connectors at SR 94/I-805	Draft Environmental	Dec-20	\$22,600	TBD	TBD	TBD	Yes
65	1280510/ CAL78C	I-805 Managed Lanes - South Palomar Street to SR 94 Direct Access Ramps	Complete	Jan-17	\$179,611	\$179,611	Complete	Yes	Yes
					<u>Approved Budget</u> <u>Cost to Complete</u>				
<i>Total for HOV/DAR Projects</i>					\$714,620	\$1,063,537			

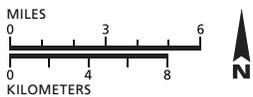
Project changes from previous report are in bold

Funding/Budget data as provided in the FY 17 Program Budget



**Major Express/
HOV Lanes and
Direct Access Ramp
(DAR) Projects**
October – December 2016

- Project Under Development
- Project Under Construction



Highway Projects

Project Information			Current Status		Total Project				
Project No.	CIP/ MPO ID	Description/Limits	Phase	Est. Phase Completion Date	Cost and Budget		Schedule		<i>TransNet</i> Funded?
					Approved Budget (\$1,000's)	Cost at Completion (\$1,000's)	Est. Open to Public Date	On Schedule?	
<i>North Coast Corridor</i>									
70	1200506/ CAL75	I-5/Genesee Avenue Interchange Interchange and South Bound Aux Lane	Construction	Feb-18	\$116,400	\$116,400	2018	Yes	Yes
71	1200503/ CAL114	I-5/ SR 56 Interchange West-North and South-East Interchanges	Final Environmental	Apr-17	\$18,963	\$18,963	TBD	TBD	Yes
72	CAL71	I-5/ SR 78 Connectors South to East Connector and West to South	Draft Environmental	Jul-25	\$5,000	\$250,000	TBD	Yes	No
73	1201101/ V11	SR 11 4-Lane Freeway and East Otay Mesa Border Crossing (Phase II) Enrico Fermi to Port of Entry Freeway Access to New Border Crossing	Design	Mar-18	\$596,000	\$596,000	TBD	TBD	Yes
74*	1207606/ CAL29B	SR 76 East Widening (<i>Phase 2</i>)* South Mission Road to Old Highway 395	Construction	Oct-17	\$201,664	\$201,664	2017	Yes	Yes
75	1390504/ CAL325	SR 905/125/11 Connectors (Northbound) Westbound SR 905-Northbound SR 125 Eastbound SR 905-Northbound SR 125 Westbound SR 11-Northbound SR 125	(Complete)	Nov-16	\$21,506	\$21,506	(Complete)	Yes	Yes
76	1390505/ CAL325A	SR 905/125/11 Connectors (Southbound) Westbound SR 905-Southbound 125 Eastbound SR 11-Southbound 125 Southbound 905-Southbound 125	Design	Nov-17	\$68,947	\$68,947	2020	Yes	No
<i>Total for Highway Projects</i>					<u>Approved Budget</u>	<u>Cost to Complete</u>			
					<i>\$1,028,480</i>	<i>\$1,273,480</i>			

**Budget/Funding amount inclusive of Phases 1 and 2 as shown in CIP 1207606*

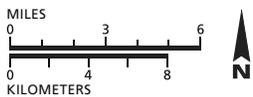


Assists by Patrol Beat

1	2,151
2	2,102
3	1,798
4	1,850
5	1,630
6	1,910
7	2,116
8	1,323
9	1,346
11	1,607
12	1,793
13	802
15	622



Freeway Service Patrol Assists
October – December 2016





**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – INFORMATION

**APPOINTMENT OF POLICY ADVISORY COMMITTEE
MEMBERS AND DESIGNATION OF PUBLIC TRANSPORTATION
REPRESENTATIVES TO THE BOARD OF DIRECTORS**

File Number 7300400

Introduction

Pursuant to Board Policy No. 002: Policy Advisory Committee Membership, the SANDAG Chair has selected the Chair and Vice Chair for each of the Policy Advisory Committees. Attachment 1 identifies these designations as well as the voting and advisory members appointed to the Policy Advisory Committees by each of the subregions.

The SANDAG Chair also has designated members of the Board of Directors as public transportation representatives for the purpose of meeting federal requirements.

Discussion

In accordance with the Moving Ahead for Progress in the 21st Century Act (2012), the Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) have jointly issued final Policy Guidance that requires representation by “providers of public transportation” on each Metropolitan Planning Organization (MPO) serving a transportation management area. The role of the public transportation representative is to consider the needs of all eligible providers of public transportation in the metropolitan planning area and to address those issues that are relevant to the responsibilities of the MPO. The Policy Guidance also states that the intent is for the public transportation representative to have equal decision-making rights and authorities as other members on the Board of Directors.

As detailed in Attachment 2, SANDAG currently has 29 Board primary or alternate members who serve as a primary or alternate member on the Metropolitan Transit System and/or North County Transit District boards. All SANDAG Board members simultaneously serving on the local transit boards will serve as public transportation representatives for the purpose of meeting the federal requirement.

GARY L. GALLEGOS
Executive Director

Attachments: 1. 2017 Membership on Policy Advisory Committees
2. Members Serving as Public Transit Representatives to the SANDAG Board of Directors as of February 24, 2017

Key Staff Contact: Victoria Stackwick, (619) 699-6926, victoria.stackwick@sandag.org



2017 MEMBERSHIP ON POLICY ADVISORY COMMITTEES

COMMITTEE MEMBERSHIP	EXECUTIVE COMMITTEE	TRANSPORTATION COMMITTEE	REGIONAL PLANNING COMMITTEE	BORDERS COMMITTEE	PUBLIC SAFETY COMMITTEE
North County Coastal <i>Primary</i>	Terry Sinnott, Vice Chair Mayor, City of Del Mar	Catherine Blakespear Mayor, City of Encinitas	David Zito Councilmember, City of Solana Beach	Chuck Lowery Deputy Mayor, City of Oceanside	Keith Blackburn, Vice Chair Mayor Pro Tem, City of Carlsbad
<i>Alternate</i>	Jim Wood Mayor, City of Oceanside	Ellie Haviland Councilmember, City of Del Mar	Cori Schumacher Councilmember, City of Carlsbad	Tasha Boerner Horvath Councilmember, City of Encinitas	Jewel Edson Councilmember, City of Solana Beach
East County <i>Primary</i>	Jerry Jones Councilmember, City of Lemon Grove	Bill Baber Councilmember, City of La Mesa	Kristine Alessio, Vice Chair Councilmember, City of La Mesa	Ronn Hall Councilmember, City of Santee	John Minto, Chair Mayor, City of Santee
<i>Alternate</i>	Bill Wells Mayor, City of El Cajon	Jerry Jones Councilmember, City of Lemon Grove	Colin Parent Councilmember, City of La Mesa	Racquel Vasquez Mayor, City of Lemon Grove	Steve Goble Councilmember, City of El Cajon
South County <i>Primary</i>	Ron Morrison Mayor, City of National City	Bill Sandke, Vice Chair Councilmember, City of Coronado	Mary Salas, Chair Mayor, City of Chula Vista	Serge Dedina, Chair Mayor, City of Imperial Beach	Alejandra Sotelo-Solis Councilmember, City of National City
<i>Alternate</i>	Ed Spriggs Mayor Pro Tem, City of Imperial Beach	Mary Salas Mayor, City of Chula Vista	Carrie Downey Councilmember, City of Coronado	Bill Sandke Councilmember, City of Coronado	Steve Padilla Councilmember, City of Chula Vista
North County Inland <i>Primary</i>	Steve Vaus Mayor, City of Poway	Jim Desmond, Chair Mayor, City of San Marcos	Sam Abed Mayor, City of Escondido	Ed Gallo, Vice Chair Councilmember, City of Escondido	Steve Vaus Mayor, City of Poway
<i>Alternate</i>	Sam Abed Mayor, City of Escondido	Judy Ritter Mayor, City of Vista	John Aguilera Councilmember, City of Vista	Jim Cunningham Councilmember, City of Poway	Amanda Rigby Councilmember, City of Vista
City of San Diego <i>Primary</i>	Myrtle Cole, Council President	Georgette Gomez, Councilmember	Lorie Zapf, Councilmember	David Alvarez, Councilmember	Chris Ward, Councilmember
<i>Alternates</i>	Barbara Bry, Councilmember Lorie Zapf, Councilmember	Mark Kersey, Councilmember	Mark Kersey, Councilmember	Mark Kersey, Councilmember	Lorie Zapf, Councilmember
County of San Diego <i>Primary</i>	Ron Roberts, Chair Supervisor	Ron Roberts, Supervisor	Kristin Gaspar, Vice Chair	Greg Cox, Supervisor	Bill Horn, Supervisor
<i>Alternates</i>	Dianne Jacob, Chair	Bill Horn, Supervisor Greg Cox, Supervisor	Greg Cox, Supervisor	Dianne Jacob, Chair	Greg Cox, Supervisor



2017 MEMBERSHIP ON POLICY ADVISORY COMMITTEES

COMMITTEE MEMBERSHIP	EXECUTIVE COMMITTEE	TRANSPORTATION COMMITTEE	REGIONAL PLANNING COMMITTEE	BORDERS COMMITTEE	PUBLIC SAFETY COMMITTEE
OTHER VOTING MEMBERS					
		Metropolitan Transit System		Imperial County	County Chiefs/Sheriff's Association
<i>Primary</i>		Harry Mathis, Chair		John Renison, Supervisor Imperial County	Manuel Rodriguez Chief, National City Police Department
<i>Alternate</i>		Lorie Bragg		Luis Plancarte, Supervisor Imperial County	Craig Carter Chief, Escondido Police Department
		North County Transit District (NCTD)			County Chiefs/Sheriff's Association
<i>Primary</i>		John Aguilera, Vice Chair			Walt Vasquez Chief, La Mesa Police Department
<i>Alternates</i>		Bill Horn Mark Packard			Neil Gallucci Chief, Carlsbad Police Department
		San Diego County Regional Airport Authority			City of San Diego Police Department
<i>Primary</i>		Jim Janney			Shelley Zimmerman, Chief City of San Diego Police Department
<i>Alternate</i>		April Boling			Todd Jarvis, Executive Assistant Chief City of San Diego Police Department
					San Diego County District Attorney
<i>Primary</i>					Bonnie Dumanis, District Attorney
<i>Alternate</i>					Miguel Rosario Chief, Bureau of Investigation
					San Diego County Sheriff
<i>Primary</i>					William Gore, Sheriff
<i>Alternate</i>					Mark Elvin, Undersheriff
					Regional Fire/Emergency/Medical Services
<i>Primary</i>					Donald Butz Chief, Lakeside Fire Protection District
<i>Alternate</i>					Tim Isbell, Chief Bonita Fire Department



2017 MEMBERSHIP ON POLICY ADVISORY COMMITTEES

COMMITTEE MEMBERSHIP	EXECUTIVE COMMITTEE	TRANSPORTATION COMMITTEE	REGIONAL PLANNING COMMITTEE	BORDERS COMMITTEE	PUBLIC SAFETY COMMITTEE
COMMITTEE ADVISORY MEMBERS					
		Caltrans	Caltrans	Caltrans	Federal Public Safety
<i>Primary</i>		Laurie Berman, District 11 Director	Laurie Berman, District 11 Director	Laurie Berman, District 11 Director	Eric Birnbaum, Special Agent in Charge Federal Bureau of Investigation
<i>Alternates</i>		Dara Wheeler	Dara Wheeler	Dara Wheeler	William Sherman, Special Agent in Charge Drug Enforcement Administration Steven C. Stafford, U.S. Marshal
			Metropolitan Transit System	Western Riverside Council of Governments (WRCOG)	Federal Public Safety
<i>Primary</i>			Mona Rios	Marsha Swanson City of Wildomar	Alana W. Robinson, Acting U.S. Attorney
<i>Alternates</i>			Guy McWhirter	Jeffrey Giba City of Moreno Valley	Kathleen Connon, Federal Security Director/SD Transportation Security Administration Gregory Archambeault, Field Office Director, Immigration and Customs Enforcement
			North County Transit District	Orange County	County Public Safety
<i>Primary</i>			Dave Druker	Jim Ferryman County of Orange	Adolfo Gonzales, Chief Probation Officer San Diego County Probation
<i>Alternate</i>			Ed Gallo	Jim Dahl County of Orange	Rueben Littlejohn, Assistant Chief Probation Officer San Diego County Probation
			San Diego County Water Authority	San Diego County Water Authority	Department of Defense
<i>Primary</i>			Ken Olson	Gary Croucher	Gerral David Director of Operations, Navy Region Southwest
<i>Alternate</i>			Ed Gallo	David Barnum	Michial Michalovich, Mission Assurance Manager MCI West-MCB Camp Pendleton
			San Diego Unified Port District	Baja California/Mexico	State Public Safety
<i>Primary</i>			Garry Bonelli	Marcela Celorio Consul General of Mexico	Jim Abele Chief, California Highway Patrol
<i>Alternate</i>			Ann Moore	Rafael Laveaga Deputy Consul General	Vacant
			Regional Planning Technical Working Group	Southern California Association of Governments	Homeland Security
<i>Primary</i>			Brad Raulston	Naresh Amatyia	John Valencia, Program Manager Office of Homeland Security, City of San Diego
<i>Alternate</i>			Karen Brindley	David C. Salgado	Holly Crawford, Director, San Diego Off. Office of Emergency Services, Cnty. of San Diego



2017 MEMBERSHIP ON POLICY ADVISORY COMMITTEES

COMMITTEE MEMBERSHIP	EXECUTIVE COMMITTEE	TRANSPORTATION COMMITTEE	REGIONAL PLANNING COMMITTEE	BORDERS COMMITTEE	PUBLIC SAFETY COMMITTEE
COMMITTEE ADVISORY MEMBERS (Continued)					
Primary Alternate					Regional Transit Services Jaime Becerra, Chief NCTD Security & Law Enforcement Services Manuel E. Guaderrama, Director MTS Transit Enforcement
Primary Alternate		Southern California Tribal Chairmen's Association Erica Pinto (Jamul) SCTCA Board Member Allen Lawson (San Pasqual) SCTCA Board Member	Southern California Tribal Chairmen's Association Eric LaChappa (La Posta) SCTCA Board Member Allen Lawson (San Pasqual) SCTCA Board Member	Southern California Tribal Chairmen's Association Michael Garcia (Ewiiapaayp) SCTCA Board Member Cody Martinez (Sycuan) SCTCA Board Member	Southern California Tribal Chairmen's Association Robert Smith (Pala) SCTCA Board Member Leia Arviso (Inaja-Cosmit) SCTCA Board Member
Primary Alternate			Department of Defense Steve Chung Matt Ryan/David Hulse		
Primary Alternate			Wildlife Conservation Board John Donnelly Vacant		
Primary Alternate			California Department of Fish and Wildlife Vacant David Mayer		
Primary Alternate			U.S. Army Corps of Engineers Therese Bradford Michelle Matson		
Primary Alternate			U.S. Fish and Wildlife Service Vacant Susan Wynn		

MEMBERS SERVING AS PUBLIC TRANSIT REPRESENTATIVES TO THE SANDAG BOARD OF DIRECTORS AS OF FEBRUARY 24, 2017

Metropolitan Transit System (MTS) Primary Board Members on SANDAG Board of Directors

Myrtle Cole, Council President, San Diego
Jim Cunningham, Councilmember, City of Poway*
Georgette Gomez, Councilmember, San Diego*
John Minto, Mayor, Santee
Mona Rios, Councilmember, National City*
Ron Roberts (SANDAG Chair, MTS Vice Chair), Supervisor, County of San Diego
Mary Salas, Mayor, Chula Vista
Bill Sandke, Councilmember, Coronado*
Lorie Zapf, Councilmember, San Diego*

MTS Alternate Board Members on SANDAG Board of Directors

Chris Cate, Councilmember, San Diego*
Greg Cox, Supervisor, County of San Diego*
Steve Goble, Councilmember, El Cajon*
Jennifer Mendoza, Mayor Pro Tem, Lemon Grove*
John Mullin, Councilmember, Poway*
Alejandra Sotelo-Solis, Councilmember, National City*
Ed Spriggs, Mayor Pro Tem, Imperial Beach*

North County Transit District (NCTD) Primary Board Members on SANDAG Board of Directors

John Aguilera, Councilmember, Vista*
Dave Druker, Councilmember, Del Mar*
Jewel Edson, Councilmember, Solana Beach*
Ed Gallo, Councilmember, Escondido*
Bill Horn, Supervisor, County of San Diego*
Tony Kranz, Deputy Mayor, Encinitas*
Chuck Lowery, Deputy Mayor, Oceanside*

NCTD Alternate Board Members on SANDAG Board of Directors

Catherine Blakespear, Mayor, Encinitas
Jim Desmond, Mayor, San Marcos
Kristin Gaspar, Supervisor, County of San Diego*
Mike Nichols, Mayor, Solana Beach*
Chris Orlando, Councilmember, San Marcos*
Cori Schumacher, Councilmember, Carlsbad*

* Alternate to SANDAG Board of Directors



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

**ACTION REQUESTED – DISCUSSION/POSSIBLE
ACTION**

**PROPOSED SANDAG DATA ACCURACY AND MODELING
WORK PLAN**

File Number 3100900

Introduction

The methodology used in the SANDAG Demographic and Economic Forecasting Model (DEFM) currently is under review by SANDAG staff after errors were discovered in the model that inflated wage growth in certain economic sectors over time. Once the errors were discovered, it became clear that they resulted in higher than expected estimations of future taxable retail sales, which in turn have affected the revenue forecasts for future *TransNet* Extension funds and Measure A. (Those revenue forecasts were calculated separately from DEFM but used taxable retail sales data from the model.) As was reported to the Board of Directors at its meeting on December 16, 2016, while DEFM is being updated staff has temporarily substituted in a different forecast model using an alternative methodology to estimate future *TransNet* revenue. The new estimate is arrived at using a consensus of three nationally recognized, independent forecasts.

Recommendation

The Board of Directors is asked to provide feedback on the proposed work plan for strengthening accuracy, quality, and transparency in SANDAG data, analytics, and modeling programs.

This report details a recommended work plan that will fully investigate the cause of the errors in DEFM, how and when staff identified the errors, what impacts the errors have had on work products, and how those impacts will be addressed. The proposed work plan also calls for the development of processes and safeguards for consideration by the Board of Directors that can be put in place to ensure similar problems do not occur again, as well as provide transparency to issues of concern that may arise in the future.

Discussion

SANDAG uses a variety of forecasting tools to make estimates. The primary role of DEFM is to forecast future population, jobs, and housing in the region. The model, which originally was created in the 1970s and continually has undergone minor updates since then, is used to make a new forecast ahead of the creation of each Regional Transportation Plan (RTP). These forecasts are done in a series, with the most recent being Series 13, and the next in line being Series 14. The Board of Directors adopts each forecast as part of the process of reviewing and approving the RTP.

By its very nature, forecasting is extremely difficult and complex. A forecast is fundamentally an educated guess at what likely will occur. Minor changes to inputs into forecasting models may have

small impacts in the near term, but dramatic impacts when calculations are made 30 or 40 years into the future.

Over the last few years, SANDAG has been engaged in a systematic process to comprehensively update its modeling capabilities. Because of the extremely complex nature of these computer models, the updates are expensive and time consuming. The first model to undergo an update was the Activity Based Model (ABM), which was completed in 2014. DEFM was next on the list. The Board of Directors included funds to start the initial work on this update in the FY 2015 Program Budget. That work is ongoing.

As part of the DEFM update, SANDAG staff planned to address an issue that they had noticed for some time – that the model was estimating the growth of future taxable retail sales in the region at a significantly higher rate in the future than actually had occurred in the past.

However, in October 2016 as election time approached, press reports challenged the validity of the \$18 billion revenue forecast for Measure A. At the direction of management, the modeling and economics teams started investigating DEFM. In November 2016, after weeks of work, staff identified the root cause and concluded that there was an error in the loading of data into DEFM that had caused industry output, and in turn taxable retail sales estimates, to be high. The taxable retail sales numbers had in fact been used in the process of calculating the Measure A revenue forecast, as well as financial capacity estimates used in the *TransNet* Plan of Finance.

SANDAG management and staff have taken several actions since then, including updating the Board of Directors on December 16, 2016. That update included an evaluation of the *TransNet* Program and a presentation on the new, independent forecast for future *TransNet* Extension revenue. In addition, the SANDAG Chief Economist position was consolidated with the Technical Services Director position to integrate oversight of forecasting processes.

Going forward, staff recommends the following seven-part work plan to investigate the error, identify the potential impacts, address any substantive problems that may have resulted with the agency's work products, and put in place policies and safeguards to ensure that similar problems do not occur again and that any concerns that may arise are brought to the attention of the Board.

- **Conduct Detailed Review:** Conduct a detailed review of the nature of the error in DEFM and its root cause. Review and validate input data, transformations, and equations in the Series 13 forecasting model (the most recent series completed using DEFM) to ensure accuracy of the data and integrity of the model results. Present this information to the Board of Directors.
- **Conduct Dependency Analysis:** Identify key SANDAG reports and deliverables that used data from Series 13. Evaluate the significance of the impacts from any potential forecasting errors and the potential effects on findings and policy recommendations.
- **Map Modeling Process Flow:** In preparation for future forecasts, map all data flow from source through databases, models, and outputs to provide transparency and identify areas for improved quality assurance processes. Complete online documentation and visual mapping of interactions in the model, showing all data sources, processes, interactions, and flows.

- **Improve Data Governance:** As a first step toward formal data governance, conduct interviews and document the customer-supplier relationship between SANDAG staff and the SANDAG Technical Services Department. This effort will lead to a better understanding of the type of data that agency staff request from Technical Services and a better understanding of how the data are requested, stored, used, and versioned. This information will be used to develop a data warehouse, standardize data extraction routines, and ensure consistency of data.
- **Review and Oversight:** Validate the new SANDAG population, housing, and economic forecasting model using an independent expert review committee, including convening a panel of experts in economics, demographics, and land use to review the methods, data sources, and assumptions of the new SANDAG forecasting model. The panel will evaluate the efficacy and sufficiency of the proposed Series 14 forecasting model to adequately forecast population, housing, and economic variables for SANDAG planning purposes.
- **Enhance Transparency:** Develop a set of agency methods and standards to ensure data and analytic transparency, including establishing checking points where full disclosure and analysis are provided to ensure that others can see how models were developed, how data was processed, and what assumptions were made along the way.
- **Develop and Formalize Processes:** Understand how staff roles, work flows, and technology (e.g., models, databases, software) contribute to producing key agency deliverables. This information will be used to realign the Technical Services Department, as well as add professional quality assurance staff and a dedicated database administrator. This effort will reduce single points of failure, and increase accountability, visibility, and efficiency. Conduct research and prepare an assessment of the current state of software and database platforms to facilitate a plan to implement industry best practices as they relate to data structures, data quality, database design and development, and database governance.

Next Steps

Upon receiving input and direction, SANDAG staff proposes to implement this work plan and follow up with ongoing progress reports to the Board of Directors and the *TransNet* Independent Taxpayer Oversight Committee. The implementation of this program may require additional staff and consultant resources. Upon direction from the Board, staff will return with proposed program budget amendments to support the work effort.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Ray Major, (619) 595-5668, ray.major@sandag.org



**FY 2017 *TransNet* REVENUES REVISION AND
FY 2018 - FY 2022 *TransNet* AND
TRANSIT RELATED REVENUES**

File Number 1500300

Introduction

The transit operators within the San Diego region receive federal, state, and local revenues to support both ongoing operations and capital projects. SANDAG is responsible for the apportionment of these various funds to the transit operators and local agencies. Each year, SANDAG provides an estimate for the upcoming fiscal year, as well as a projection for the next four fiscal years to enable the transit and local agencies to plan for capital projects and determine operating subsidies.

Recommendation

The Transportation Committee recommends that the Board of Directors approve: (1) a revision to the FY 2017 *TransNet* Revenues; and (2) the FY 2018 to FY 2022 estimates and apportionments for the Transportation Development Act, Federal Transit Administration, and *TransNet*.

Discussion

Summary of Revenue Estimates

This report provides the FY 2018 to FY 2022 revenue estimates for the Transportation Development Act (TDA), *TransNet* (including the proposed revision to FY 2017), and the Federal Transit Administration (FTA) formula programs, along with an overview of the forecast methodology used in projecting the estimates. A summary of the estimates for each revenue source is below. Details can be found in Attachments 1 to 4.

The approach to develop future year estimates for the two sales tax based programs – TDA and *TransNet* - is detailed in Attachment 5: Forecast Methodology. The *TransNet* short-term revenue forecast is provided with a high and low range to reflect the inherent uncertainty associated with forecasts. In addition to transit agencies, *TransNet* funds are allocated to the 18 cities and the County of San Diego as well; these local agencies are provided this same information for their budget and planning purposes.

Other fund sources (TDA and FTA) are used mainly by transit agencies and SANDAG. In consultation with the transit agencies, it was determined that while a range was helpful and requested in previous budget years, at this time the estimate amount is what is used by the transit agencies, with no need for a range of high and low values for TDA and FTA related programs. Therefore, estimate ranges are provided for *TransNet* funds only.

1. *Transportation Development Act*: The San Diego County Auditor and Controller office is required by state law to provide an estimated apportionment for the upcoming fiscal year before February 1 of each year. The apportionment is developed in consultation with SANDAG staff and with the transit operators and is based on actual sales tax receipts as well as projections. The FY 2018 apportionment of \$144,655,804 is based on a 2.5 percent increase over the estimated FY 2017 TDA receipts. The FY 2018 apportionment and the FY 2019 to FY 2022 estimates are shown in Attachment 1.
2. *TransNet*: Estimates are developed by SANDAG based on actual sales tax receipts through FY 2016 (\$275.5 million) and the anticipated growth rate for FY 2017. In particular, the revised estimate takes into consideration that the first two quarters of FY 2017 point towards a lower estimated increase than was projected last year. With this trend in mind, the Transportation Committee recommends that the revenue projection for FY 2017 be reduced to approximately \$283 million (compared to the approximately \$288 million that was previously anticipated).

For FY 2018, approximately \$292 million is estimated to be available for the entire *TransNet* program, of which approximately \$46.7 million is available for the Transit System Improvements Program. The estimate for FY 2018 revenues for the entire program is shown in Attachment 2. The *TransNet* Independent Taxpayer Oversight Committee reviewed the estimates at its meeting on February 8, 2017, and discussed the estimates and methodology. The Transportation Committee discussed the estimates at its February 17, 2017, meeting and requested that staff strengthen the description of the forecast methodology in the written report to the Board of Directors, and return with an update on the *TransNet* and transit related revenue estimates to the Transportation Committee every six months. For the Transit System Improvements Program, the FY 2018 through FY 2022 estimates are included in Attachment 3.

3. *Federal Transit Administration Formula Programs*: The FTA provides formula funding to the transit agencies via the Section 5307, Section 5337, and Section 5339 programs. The Fixing America's Surface Transportation (FAST) Act was signed into law on December 4, 2015. While the FAST Act, which covers the period FY 2016 to FY 2020, includes a planned increase of approximately 2 percent per year, actual apportionments are subject to annual congressional budgetary action. Currently the federal transportation budget for Federal Fiscal Year 2017 does not reflect the anticipated increases under the FAST Act.

SANDAG, as the Metropolitan Planning Organization, is required to approve the distribution of FTA formula funds to the transit agencies in its designated urbanized area in order for the agencies to submit their annual grant applications. Attachment 4 provides the five-year estimates.

State Transit Assistance

The revenue estimate for State Transit Assistance (STA) ordinarily is included in this report along with the other estimates for informational purposes. The State Controller's office, responsible for providing the estimates by January 31 of each year, has not yet published the FY 2018 preliminary estimate despite the statutory deadline as of the date of this report. Once the apportionment is published, the claim for North County Transit District (NCTD) will be incorporated as part of the

annual TDA/STA claims process, scheduled for the June Transportation Committee and Board of Directors meetings. The funding for this program comes from sales tax generated from diesel fuel (Assembly Bill X8 6 [Budget, 2010]). The SANDAG area, as defined under the STA program, consists of the area outside of the Metropolitan Transit System (MTS) area of jurisdiction. Within the SANDAG area, NCTD is the only claimant of STA funds.

For the current FY 2017, \$19.1 million was available to the San Diego region (SANDAG and MTS areas) and NCTD and MTS claimed the full amount available.

Additional information for each of the fund types is detailed in Attachment 6: Funding Programs.

GARY L. GALLEGOS
Executive Director

- Attachments:
1. Transportation Development Act – FY 2018 Apportionment and FY 2019 to FY 2022 Estimates
 2. *TransNet* Program: Revised FY 2017 Projection; Estimates for FY 2018 to FY 2022
 3. *TransNet* Revenue Forecast - Transit System Improvements Program – Revised FY 2017 Projection; Estimates for FY 2018 to FY 2022
 4. Federal Transit Administration Formula Programs – FY 2018 Apportionment and Estimates from FY 2019 to FY 2022
 5. Forecast Methodology
 6. Funding Programs

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Transportation Development Act
FY 2018 Apportionment and FY 2019 to FY 2022 Estimates

	FY 2018	FY 2019 Estimate (\$000s)	FY 2020 Estimate (\$000s)	FY 2021 Estimate (\$000s)	FY 2022 Estimate (\$000s)
Total Apportionment ^{1,2}	\$144,655,804	\$150,717	\$156,715	\$163,047	\$169,585
Less County Auditor Expenses (PUC 99233.1)	(50,000)	(51)	(52)	(53)	(54)
Less SANDAG Administration (PUC 99233.1) ³	(485,606)	(677)	(526)	(543)	(753)
Less 3% Planning Funds (PUC 99233.2)	(4,323,606)	(4,500)	(4,684)	(4,874)	(5,063)
Less 2% Bicycle/Pedestrian Funds (PUC 99233.3)	(2,795,932)	(2,910)	(3,029)	(3,152)	(3,274)
Less 5% Community Transit Service (PUC 99233.7)	(6,852,533)	(7,132)	(7,424)	(7,724)	(8,025)
Subtotal	\$130,148,127	\$135,447	\$141,000	\$146,701	\$152,416
Total Available for Metropolitan Transit System (MTS)	92,549,441	96,319	100,267	104,321	108,384
Less Regional Planning/Capital Projects ⁴	(1,023,300)	(190)	(190)	(190)	(190)
Less Transferred Functions ⁵	(1,863,771)	(1,940)	(2,019)	(2,101)	(2,183)
Total Community Transit Service	4,775,437	4,970	5,174	5,383	5,592
Total Available to Claim	\$94,437,807	\$99,159	\$103,232	\$107,413	\$111,603
Total Available for North County Transit District (NCTD)	37,598,686	39,130	40,734	42,381	44,032
Less Regional Planning/Capital Projects ⁴	(125,319)	0	0	0	0
Less Transferred Functions ⁵	(629,778)	(655)	(682)	(710)	(738)
Total Community Transit Service	1,940,046	2,019	2,102	2,187	2,272
Total Available to Claim	\$38,783,635	\$40,494	\$42,154	\$43,858	\$45,566
Total Available for SANDAG					
Regional Planning/Capital Projects	1,148,619	190	190	190	190
Transferred Functions	2,493,549	2,595	2,701	2,811	2,921
SANDAG Administrative Expenses ³	485,606	677	526	543	753
3% Planning Funds	4,323,606	4,500	4,684	4,874	5,063
Prior Year Carryover	0				
Total Available to Claim	\$8,451,380	\$7,962	\$8,101	\$8,418	\$8,927
Total Community Transit Service	\$137,051	\$143	\$148	\$154	\$161
Prior Year Carryover	\$0				
Total Available to Claim	\$137,051	\$143	\$148	\$154	\$161

*Totals may not add up due to rounding

¹The County Auditor provided the apportionment for FY 2018. The projected estimates for FY 2019 to FY 2022 are based on the growth rate in retail sales as forecasted by SANDAG and excludes interest and prior year excess funds.

²Apportionment distribution is based on the population estimates published by the California Department of Finance estimates as of January 2016 - approximately 71% for MTS and 29% for NCTD.

³The SANDAG Administration cost rises in FY 2019 & FY 2022 disproportionately due to costs associated with the triennial performance audit. All other annual increases in SANDAG administrative share are consistent with the estimated growth in the Transportation Development Act (TDA).

⁴Represents the local match for federally funded regional planning and transit capital development projects identified in the initial draft FY 2018 transit Capital Improvement Program as provided by MTS and NCTD. The projects funded are scheduled to be included as part of the FY 2018 Capital Improvement Program scheduled for Transportation Committee/Board action at their April meetings. As a result, this amount is subject to change.

⁵Based on Addendums No. 3 and No. 4 to the Master Memorandum of Understanding between MTS, NCTD, and SANDAG. For NCTD, 26.09% of this share is transferred back to NCTD to be used for TDA-eligible purposes.

TransNet Program
Revised FY 2017 Projection; Estimates for FY 2018 to FY 2022 (in \$000s)

TransNet Program Revenues	Approved FY 2017	Revised FY 2017	FY 2018 Estimate**		FY 2019 Estimate**		FY 2020 Estimate**		FY 2021 Estimate**		FY 2022 Estimate**	
			Low	High								
Estimated Sales Tax Receipts	\$287,989	\$282,718	\$277,526	\$306,739	\$289,141	\$319,577	\$300,658	\$332,307	\$312,819	\$345,748	\$325,355	\$359,603
TransNet Program Allocations												
Administrative Allocations ¹	\$2,880	\$2,827	\$2,921		\$3,044		\$3,165		\$3,293		\$3,425	
Independent Taxpayer Oversight Committee ² (ITOC)	\$401	\$0	\$395		\$405		\$415		\$426		\$436	
Bike, Pedestrian & Neighborhood Safety ³	<u>\$5,760</u>	<u>\$5,654</u>	<u>\$5,843</u>		<u>\$6,087</u>		<u>\$6,330</u>		<u>\$6,586</u>		<u>\$6,850</u>	
Total off-the-top Programs	\$9,041	\$8,482	\$9,159		\$9,536		\$9,909		\$10,305		\$10,710	
Net Available for Subprograms	<u>\$278,948</u>	<u>\$274,237</u>	<u>\$282,974</u>		<u>\$294,823</u>		<u>\$306,573</u>		<u>\$318,979</u>		<u>\$331,769</u>	
Program Allocations*												
Major Corridors Program ⁴	\$118,274	\$116,276	\$119,981		\$125,005		\$129,987		\$135,247		\$140,670	
New Bus Rapid Transit (BRT)/Rail Operations ⁵	\$22,595	\$22,213	\$22,921		\$23,881		\$24,832		\$25,837		\$26,873	
Transit System Improvements ⁶	\$46,026	\$45,249	\$46,691		\$48,646		\$50,585		\$52,632		\$54,742	
Local System Improvement ⁷	<u>\$92,053</u>	<u>\$90,498</u>	<u>\$93,381</u>		<u>\$97,292</u>		<u>\$101,169</u>		<u>\$105,263</u>		<u>\$109,484</u>	
Total Program Allocations	<u>\$278,948</u>	<u>\$274,237</u>	<u>\$282,974</u>		<u>\$294,823</u>		<u>\$306,573</u>		<u>\$318,979</u>		<u>\$331,769</u>	

*Totals may not add up due to rounding
 ** Low and High reflect +/- 5% of estimate

The *TransNet* Extension Ordinance established the rules for the allocation of all Commission revenues. Commission funds are allocated according to the following priorities:

¹ Up to 1% of the annual revenues shall be allocated for administrative expenses, which includes Commission/Board expenses, administrative reserve.

²The ITOC allocation is based on the annual increase in CPI beginning with FY 2002, using \$250,000 as the starting base. At its February 10, 2016, meeting, ITOC voted to forgo its FY 2017 allocation, noting that the current carryover balance is sufficient to continue its role in FY 2017.

³ Total of 2% shall be allocated for bicycle facilities.

⁴ 42.4% of the total revenues less off the top programs shall be allocated for Major Corridor projects which include transportation mitigation under the Environmental Mitigation program and any finance charges incurred.

⁵ 8.1% of the total revenues less off the top programs shall be allocated to operate new rail or BRT services.

⁶ 16.5% of the total revenues less off the top programs shall be allocated for purposes of public transit services including providing for senior and American with Disabilities Act-related services.

⁷ 33% of total revenues less off the top programs shall be allocated for local street improvement services, which includes roadway projects, as well as local EMP and smart growth incentive programs.

TransNet Revenue Forecast - Transit System Improvements Program
Revised FY 2017 Projection; Estimates for FY 2018 to FY 2022 (in \$000s)

	Approved FY 2017	Revised FY 2017	FY 2018 Proposed	FY 2019 (Estimate)	FY 2020 (Estimate)	FY 2021 (Estimate)	FY 2022 (Estimate)
Total Available For Transit Purposes^{1,2}:	\$46,026	\$45,249	\$46,691	\$48,646	\$50,585	\$52,632	\$54,742
Less 2.5% for Americans with Disabilities Act (ADA)-related Services	(\$1,151)	(\$1,131)	(\$1,167)	(\$1,216)	(\$1,265)	(\$1,316)	(\$1,369)
Less 3.25% for Senior Services	(\$1,496)	(\$1,471)	(\$1,517)	(\$1,581)	(\$1,644)	(\$1,711)	(\$1,779)
Subtotal*	\$43,379	\$42,647	\$44,007	\$45,849	\$47,676	\$49,605	\$51,594
MTS Projects And Services:							
Transit Service Improvements (Operations and Supporting Capital)	\$30,869	\$30,348	\$31,293	\$32,603	\$33,903	\$35,275	\$36,689
ADA Services	\$819	\$804	\$830	\$865	\$899	\$936	\$973
NCTD Projects And Services:							
Transit Service Improvements (Operations and Supporting Capital)	\$12,510	\$12,299	\$12,714	\$13,246	\$13,773	\$14,330	\$14,905
ADA Services	\$332	\$327	\$337	\$351	\$366	\$380	\$396
Regional Discretionary Programs³:							
Competitive Grant Program for Senior Transportation Services	\$1,496	\$1,471	\$1,517	\$1,581	\$1,644	\$1,711	\$1,779

*Totals may not add up due to rounding

¹ The Transit System Services Improvements share is 16.5% of net available revenues. After deducting for ADA and Senior Services, the balance is available for operations and miscellaneous capital projects by the transit agencies.

² Distribution between the two agencies for FY 2017 are based on Jan. 2015 population, for FY 2018 to FY 2022 are based on Jan. 2016 population.

³ The funds are allocated via a Call for Projects process by SANDAG.

Other Notes:

A. The estimated revenues are based on growth rate in taxable sales as forecasted by SANDAG and excludes interest and prior year excess funds.

B. Distribution of revenue estimates are based on the 2004 Proposition A Extension: San Diego Transportation Improvement Program and Expenditure Plan.

**Federal Transit Administration Formula Programs
FY 2018 Apportionment and Estimates from FY 2019 to to 2022**

	FY 2018			FY 2019 (\$000s)			FY 2020 (\$000s)			FY 2021 (\$000s)			FY 2022 (\$000s)		
	Apportionment ¹	Regional Capital Projects	Regional Planning	Apportionment ¹	Regional Capital Projects	Regional Planning	Apportionment ¹	Regional Capital Projects	Regional Planning	Apportionment ¹	Regional Capital Projects	Regional Planning	Apportionment ¹	Regional Capital Projects	Regional Planning
Section 5307 Urbanized Area Formula Funds															
Metropolitan Transit System (MTS)	\$43,773,832	\$0	(\$797,166)	\$44,649	\$0	(\$813)	\$45,542	\$0	(\$829)	\$45,542	\$0	(\$829)	\$45,542	\$0	(\$829)
North County Transit District (NCTD)	\$18,760,214	(\$501,000)	N/A	\$19,135	\$0	N/A	\$19,518	\$0	N/A	\$19,518		N/A	\$19,518	(\$2,139)	N/A
SANDAG (Vanpool Program) ²	\$4,000,000	N/A	\$797,166	\$4,080	N/A	\$813	\$4,162	N/A	\$829	\$4,162	N/A	\$829	\$4,162	N/A	\$829
SANDAG (Capital Projects) ³		\$501,000			\$0			\$0			\$0			\$2,139	
Total	\$66,534,046	\$0	\$0	\$67,865	\$0	\$0	\$69,222	\$0	\$0	\$69,222	\$0	\$0	\$69,222	\$0	\$0
Section 5337 State of Good Repair/High Intensity															
MTS	\$26,893,175	\$0	N/A	\$27,431	\$0	N/A	\$27,980	\$0	N/A	\$27,980	\$0	N/A	\$27,980	\$0	N/A
NCTD	\$11,045,921	\$0	N/A	\$11,267	\$0	N/A	\$11,492	\$0	N/A	\$11,492	\$0	N/A	\$11,492	\$0	N/A
Total	\$37,939,096	\$0	N/A	\$38,698	\$0	N/A	\$39,472	\$0	N/A	\$39,472	\$0	N/A	\$39,472	\$0	N/A
Section 5339 Bus/Bus Facilities															
MTS	\$3,481,549	\$0	N/A	\$3,551	\$0	N/A	\$3,622	\$0	N/A	\$3,622	\$0	N/A	\$3,622	\$0	N/A
NCTD	\$1,492,092	\$0	N/A	\$1,522	\$0	N/A	\$1,552	\$0	N/A	\$1,552	\$0	N/A	\$1,552	\$0	N/A
Total	\$4,973,641	\$0	N/A	\$5,073	\$0	N/A	\$5,175	\$0	N/A	\$5,175	\$0	N/A	\$5,175	\$0	N/A

¹ The Federal Register provided the Federal Transit Administration apportionment based on the Further Continuing and Security Assistance Appropriations Act. The Fixing America's Surface Transportation (FAST) Act increases the funding two percent per year through FY 2020 which is reflected in the outyear's estimate except FY 2021 and FY 2022 which is outside of the last year of the FAST Act.

² SANDAG and transit agencies have agreed to fully fund the rideshare portion of the regional Transportation Demand Management program in recognition of the vanpool program's contribution to the funding level apportioned to the region. Prior year is reconciled with next year's estimate based on consultation with the transit agencies.

³ Regional Capital Projects refer to projects and associated funding transferred to SANDAG to implement on behalf of MTS and NCTD based on the draft FY 2018 MTS/NCTD Capital budget. The specific projects and funding recommendation is scheduled to be presented to the Transportation Committee/Board of Directors as part of the FY 2018 Transit Capital Improvement Program at their respective meetings in April, and therefore is subject to change.

Note:

SANDAG share is based on the estimated costs to operate the regional vanpool program and its estimated increase in future years. The balance of 5307 funds are allocated 70% to MTS and 30% to NCTD. The same 70/30 split applies to the 5337 and 5339 funds (SANDAG does not share in these programs).

Forecast Methodology

Historically, SANDAG has used certain economic inputs derived from its Demographics and Economic Forecasting Model (DEFM) for its *TransNet* revenue forecast for the Plan of Finance. Because the DEFM revenue forecasting methodology currently is under review by staff, and is in the process of being updated (as part of the FY 2017 budgeted work effort), a new forecasting methodology independent of DEFM has been developed for the *TransNet* and Transportation Development Act revenue forecasts included in this report.

This forecast is independent of SANDAG's standard economic forecasting tool and will be used until the Board of Directors approves the Series 14 forecast. The independent forecast model provides output in "Year of Expenditure" dollars consistent with federal regulations, which require that "revenue and cost estimates that support the metropolitan transportation plan...use an inflation rate(s) to reflect "year of expenditure dollars."

Inputs into the model include variables provided by three nationally recognized sources of data including, IHS Global Insight, Moody's, and Woods & Poole. The model inputs from the three vendors include their estimates of real retail sales growth rates for 2017-2048, and their estimation of inflation rates for the same time period. Population estimates from the adopted Series 13 model are used in the forecast, and consistent with Senate Bill 375 (Chapter 728, Statutes of 2008), are within 3 percent of California Department of Finance forecasts.

In order to arrive at a consensus forecast, change in real retail sales growth from the three vendors are averaged for each fiscal year. The average inflation rate provided by the vendors for the time period 2017-2048 also is calculated to develop a consensus inflation rate.

Finally, the forecast is applied to the most recent actual *TransNet* receipts. To develop the base for the model, actual *TransNet* revenues collected in FY 2016 (\$275.5 million) are divided by the FY 2016 population estimate (3.28 million), resulting in a base year estimate of \$83.77 on a per capita basis. Three factors – the population growth rate, real per capita retail sales growth rate, and the annual inflation rate – are then applied to the base number to estimate revenue in each subsequent year.

The short-term (or first two years through FY 2018) of this forecast uses the California State Board of Equalization sales tax revenue allocation formula, as well as quarterly factors such as year-to-date sales tax collections and other data related to current conditions in economic sectors that drive taxable retail sales. Assumptions made in this planning cycle include information regarding slower than expected *TransNet* revenue growth in the first five months of FY 2017, and continued low inflation rates estimated to be 1.4 percent in 2017, rising to 2 percent in 2018. Additional assumptions include population growth rates remaining low, and continued weak growth in retail sales.

It is extremely challenging to forecast revenues over long periods of time, as taxable retail sales are by nature volatile and are correlated with economic cycles. Since 1990 the region has experienced tax collection changes in rate of collection between -9.2 percent and +18.8 percent, with an average growth rate of 4.3 percent per year. Overall, *TransNet* revenues fell 17.6 percent during FY 2007 – FY 2010.

Expected Trends

The United States economy's growth in 2016 was similar to that of 2015. The nation's total value of goods and services produced, Gross Domestic Product (GDP), rose at an annual rate of 3.5 percent during the third quarter of 2016, rising from 1.4 percent in the second quarter. An advanced estimate for the fourth quarter of 2016 shows a 1.9 percent GDP growth rate. The slow economic growth has forced most forecasters to keep their economic growth estimate for 2016 at about 2 percent, which would be down from the 2.6 percent growth achieved in 2015.

The slow economic growth has been attributed to troublesome international issues, such as BREXIT and sluggish Euro zone performance, slowing or negative growth in emerging economies, and continued or escalating strife in the Middle East rather than to poor domestic conditions.

To achieve a GDP growth rate of 3.25 percent or higher likely requires more jobs in total, more jobs of a higher quality, and more wages than have been produced over this past year. Job growth during 2015 averaged 230,000 new jobs per month, and in 2016 averaged 180,000 monthly, continuing an unprecedented streak of positive monthly job growth dating back to October 2010. A total of 2.2 million jobs were created nationwide during 2016 (a growth rate of about 2 percent). The increase in job production pushed the unemployment rate down to 4.6 percent, essentially the same level as before the start of the Great Recession. Recently, the unemployment rate has stabilized even with job growth, as the labor force has increased modestly.

Locally, the increase in jobs has outpaced the improved national rate. The San Diego region recorded 28,900 new payroll jobs from December 2015 to November 2016, a rise of 2.0 percent. In addition, the local unemployment rate dropped more than the nation's, falling to 4.2 percent, below the national level of 4.8 percent. Generally, wage growth has been sluggish to nonexistent during the recovery, but Bureau of Labor Statistics jobs reports in the last several months have indicated that wages are starting to trend upward.

The improved trend for job growth is dampened by lingering concerns about the volatility of economic growth and political stability globally, as well as the yet-to-be-determined economic policies of the new federal administration. Additional concerns include weakness in wage growth and the average number of hours worked; recent signs have been positive, though wage gains since 2008 primarily have been accrued to high earners. These trends, combined with the types of jobs (primarily lower-paying) that have been created since the end of the Great Recession, have contributed to keeping real per-capita disposable income almost stagnant for the past decade, only rising slowly in the past two years. This in turn has led to weak growth in consumer spending, which makes up more than 70 percent of the economy and is a primary driver of sales tax revenue.

While personal consumption expenditures have driven recent GDP gains, private investment and government expenditures have been flat. Additional economic headwinds are expected from the slowing of economic growth globally and in turn, the effect on the trade value of the dollar. Most of the United States' major trading partners continue to experience slower economic growth, including China, Japan, Europe, Mexico, Brazil, and Russia, and in turn, the trade value of the dollar is rising, making U.S. goods in these markets more expensive and reducing U.S. exports, which provides a drag on the national economy.

These economic headwinds and volatility are affecting consumer spending habits. The National Retail Federation reports a 4 percent annual increase in holiday sales, in line with projections. Locally, taxable retail sales from October 2015 through September 2016 increased 2.2 percent, which is below

the original 3.5 percent projected, but also lower than other regions in California. Much of the local slowdown is from the reduction in gas prices and relatively weak auto sales, which are slowing again after robust post-recession recovery. Gas prices have seemed to stabilize at a low level in the last two quarters, and the trend away from brick-and-mortar retail to online, as well as reduced cross-border retail activity from the decline in the Mexican Peso have been a drag on local retail sales. In light of the decline in the unemployment rate, increase in labor force, and small uptick in wages since last year, taxable sales could be expected to pick up to 2.5 percent as consumer confidence and economic status improve.

The table below shows actual and projected *TransNet* revenues.

Growth in TransNet Sales Tax Receipts

Fiscal Year	Amount
2010 (Actual)	\$204.2M
2011 (Actual)	\$221.3M
2012 (Actual)	\$236.9M
2013 (Actual)	\$247.2M
2014 (Actual)	\$260.1M
2015 (Actual)	\$268.8M
2016 (Actual)	\$275.5M
2017 (Proposed Revised Estimate)	\$282.7M
2018 (Estimate)	\$292.1M
2019 (Estimate)	\$304.3M
2020 (Estimate)	\$316.4M
2021 (Estimate)	\$329.2M
2022 (Estimate)	\$342.4M

Funding Programs

Transportation Development Act: The Transportation Development Act (TDA) is the major subsidy source that supports the region's public transit operators and nonmotorized transportation projects. TDA comes from a quarter of a percent of state sales tax assessed in the region. SANDAG, as the Regional Transportation Planning Agency, is responsible for the allocation of the apportionment of TDA funds each year in conformance with state statute. The transit operators and other member agencies submit their annual TDA claims based on the annual apportionment and in compliance with SANDAG Board Policy No. 027: Transportation Development Act.

Pursuant to state statute, the County of San Diego Auditor and Controller office has the responsibility for providing the TDA apportionment for the upcoming fiscal year. The County Auditor develops the apportionment in consultation with SANDAG staff and with the transit operators, based on actual sales tax receipts and projections. The annual apportionment determines the amount of funds available to each agency to claim. SANDAG is required to notify prospective claimants of the apportionment by March 1, necessitating action by the Board of Directors in February each year.

The legislative priorities established by state law include certain categories for which TDA funds are taken "off the top." These include the allocation to SANDAG for various planning, programming, and administrative-related expenses, funding of bike and pedestrian facilities, and support of community transit services. In addition, the County Auditor receives an allocation based on estimates of its costs to administer the TDA program. The remaining apportionment, along with any prior year carryover funds, is available to be claimed by North County Transit District (NCTD), and Metropolitan Transit System (MTS). The balance of current year funds is allocated based upon the population of the service area served by the two transit agencies.

Pursuant to provisions of Senate Bill 1703 (Peace, 2002) and as agreed to by MTS, NCTD, and SANDAG, regional transit capital projects are implemented by SANDAG with funding transferred from both MTS and NCTD. The transit agencies may choose to transfer a portion of their TDA share for purposes of matching federal formula funds for the capital projects to be implemented by SANDAG on behalf of MTS or NCTD. Transfers of federal funds and/or TDA as the match are based on the draft five-year transit Capital Improvement Program (CIP). The final list of projects and associated funding are included with the transit CIP, generally scheduled for Transportation Committee and Board of Directors action in March of each year. An additional apportionment to SANDAG covers those indirect administrative functions not directly funded by projects. The calculation for the cost of these administrative functions was memorialized in Addenda Nos. 3 and 4 to the Memorandum of Understanding between SANDAG, MTS, and NCTD.

TransNet: The *TransNet* Extension, the 40-year half-cent sales tax transportation funding measure approved by the voters in 2004 became effective in FY 2009. *TransNet* provides funding for major transportation projects in the region. After deducting costs associated with administrative expenses, the operation of the *TransNet* Independent Taxpayer Oversight Committee (ITOC), and the Bicycle, Pedestrian, and Neighborhood Safety program, the *TransNet* program is divided into Major Corridor (42.4%), New Bus *Rapid* Transit/Rail Operations (8.1%), Local System Improvements (33%), and Transit System Improvements (16.5%).

Within the Transit System Improvements, services provided pursuant to the Americans with Disabilities Act (ADA) and subsidies for seniors have specific earmarks (2.5% and 3.25%, respectively). The remaining revenues can be used by the transit agencies for operating or miscellaneous capital purposes. Similar to TDA, the transit share between NCTD and MTS is allocated based upon the respective population of the two transit agencies' service areas.

ITOC reviews the *TransNet* estimates for the entire program at its February meeting each year. Any significant comments are presented to the Transportation Committee and the Board of Directors.

Federal Transit Administration Formula Programs

Section 5307: Federal Transit Administration (FTA) 49 U.S.C. Section 5307 provides for transit capital and operating assistance in urbanized areas and for transportation-related planning. For areas with populations of 200,000 and more, such as San Diego County, the formula is based on a combination of bus/vanpool revenue vehicle miles, bus/vanpool passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles, as well as population and population density. Eligible activities under this program include planning, engineering design, and an evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus-related activities; construction of maintenance and passenger facilities; capital investments in new and existing fixed guideway systems, including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. Preventive maintenance and some ADA-complementary paratransit service, while recorded as operating expenditures, are considered capital costs for purposes of eligibility.

Some of the changes under the Fixing America's Surface Transportation (FAST) Act include a provision that: (1) requires the transit agencies to maintain equipment and facilities in accordance with the transit asset management plan, and (2) provides that transit agencies are no longer required to expend one percent for associated transit improvements. Neither these two nor other minor changes would substantively impact how SANDAG or the transit agencies use this program.

Section 5337: This State of Good Repair program provides funding to transit agencies that operate rail fixed-guideway and high-intensity motorbus systems for the maintenance, replacement, and rehabilitation of capital assets, along with the development and implementation of transit asset management plans. This program reflects a commitment to ensuring that public transit operates safely, efficiently, reliably, and sustainably so that communities can offer balanced transportation choices that help to improve mobility, reduce congestion, and encourage economic development. Eligible activities include projects that maintain, rehabilitate and replace capital assets as well as projects that implement transit asset management plans. The FAST Act clarifies that high-intensity motorbus tier funds can only be used for vehicle state of good repair costs and not for roadway state of good repair costs.

Section 5339: The FAST Act provides both formula and discretionary program for this section as developed under Moving Ahead for Progress. There is also a sub-program that provides competitive grants for bus and bus facility projects that support low and zero-emission vehicles. The purpose of both formula and competitive programs is to provide capital funding to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities.

As stated above, the Section 5307 program is based on number of factors including data from the vanpool program. Over the years, the regional vanpool program has contributed substantially to the overall funding that comes to the region. In recognition of its contribution, the transit agencies have agreed to update the funding level to fully fund the regional vanpool program from the total apportionment based on prior year actual expenditure. After deducting for the cost of the vanpool program, Section 5307 funds are allocated 70 percent for MTS and 30 percent for NCTD. The same 70/30 formula was used to allocate the Sections 5337 and 5339 between MTS and NCTD. SANDAG does not directly receive funds from neither Section 5337 nor Section 5339.

State Transit Assistance: Since its creation in 1971, the State Transit Assistance (STA) program has been an ongoing source of state funding for capital and operating support for public transit agencies. The FY 2009-2010 State Budget eliminated the STA but it was reinstated as part of the “Gas Tax Swap” agreement (ABx8-6, March 2010), which reconfigured the funding streams that flow into the program. STA now is fully funded by the sales tax on diesel, and can be used for operating and capital purposes.

Current statute requires transit agencies to meet certain criteria related to operating efficiencies in order to use STA funds for operations. Senate Bill 508 (Hernandez, 2015) revised this requirement wherein if a transit agency failed to meet the operating criteria, the allocation would be reduced by the same percentage in which the efficiency standards were not met. SB 508 further reduced the criteria burden by excluding a number of cost factors such as pension and health coverage.



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED - CONDUCT FIRST READING

**FIRST READING: REGIONAL TRANSPORTATION
COMMISSION ORDINANCE NO. RTC-CO-2017-04:
INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE
TERM LIMITS**

File Number 1500100

Introduction

The FY 2015 *TransNet* Triennial Performance Audit included a recommendation to alternate the ending terms of Independent Taxpayer Oversight Committee (ITOC) members. At its February 17, 2017, meeting, the Transportation Committee reviewed this proposal and recommends that the Board of Directors approve the proposed amendments to the *TransNet* Extension Ordinance and related changes to the ITOC Bylaws. Pursuant to this, the Board of Directors is asked to conduct the first reading of Regional Transportation Commission [RTC] Ordinance No. RTC-CO-2017-04, which would incorporate proposed amendments to the *TransNet* Extension Ordinance that would further stagger terms to prevent the turnover of more than two members at any one time, and would allow ITOC members filling mid-term vacancies to serve an additional two four-year terms (not to exceed a total of ten years). In addition, in the event that more than two members would need to be replaced during the same recruitment period, the proposed amendments would provide that the Selection Committee would determine the length of the members' first term. Related changes to the ITOC Bylaws also would be needed to ensure consistency with the *TransNet* Extension Ordinance amendments; these are outlined in Attachment 3.

Recommendation

The Board of Directors, acting as the San Diego County Regional Transportation Commission (RTC), is asked to conduct the first reading of RTC Ordinance No. RTC-CO-2017-04, related to Independent Taxpayer Oversight Committee term limits, by reading the title and waiving full recitation of the ordinance for this and all future readings.

The ITOC is scheduled to review the proposed amendments at its meeting on March 8, 2017.

Discussion

FY 2015 TransNet Triennial Performance Audit

In accordance with the *TransNet* Extension Ordinance, one of the responsibilities of the ITOC is to conduct triennial performance audits of SANDAG and other agencies involved in the implementation of *TransNet*-funded projects and programs. The ITOC conducted its most recent audit in FY 2015 with the assistance of an independent auditor. ITOC member Carolyn Lee and staff from the audit firm of Sjoberg Evashenk Consulting, Inc., presented the audit report for discussion by the Transportation Committee at its March 20, 2015, meeting.

At its March 2015 meeting, the Transportation Committee discussed the FY 2015 *TransNet* Triennial Performance Audit (third audit) report and recommendations.¹ Performance Audit Recommendation No. 18 states that to improve the effectiveness of the ITOC in fulfilling its responsibilities, the following should be considered:

Adopting a method to alternate the ending terms of ITOC members so that no more than two terms end in any given year.

The performance audit noted that currently, ITOC members serve staggered four-year terms. Current staggering of membership terms will result in three seats ending in 2017 and four seats ending in 2019. With more than half of the seven total seats ending at the same time, the performance audit noted that it may be worthwhile to consider a different method to alternate the ending terms. This would help maintain the strong level of historical knowledge among committee members.

As part of its role in carrying out the *TransNet* triennial performance audits, at least twice a year the ITOC reviews and discusses the status of audit recommendations. At its October 2015 meeting, alternatives for addressing Recommendation No. 18 were presented to the ITOC; these included options such as alternating the expiration of ITOC member appointments, including the cost and time associated with solicitations, and keeping ending terms as they are currently. Staff also provided a summary of similar term limit structures for taxpayer oversight committees at other agencies for comparison purposes.

ITOC members questioned the current partial term structure where members filling mid-term vacancies currently are not able to serve the full eight years allowed per Ordinance provisions. The timing of proposed changes also was discussed, with direction provided to revisit any proposed changes in the lead up to the next ITOC solicitation. The next ITOC solicitation is scheduled to be advertised in March 2017 for replacement of those with terms expiring in May 2017.

Prior TransNet Triennial Performance Audits

It is important to note that as a result of prior recommendations from earlier performance audits conducted in FY 2009 and FY 2012, regular reporting and monitoring has been established to preserve the institutional knowledge of ITOC members. For example, according to the FY 2012 *TransNet* Triennial Performance Audit (second audit), “many of the changes implemented in response to the audit recommendations have strengthened oversight and accountability to ensure the foundation surrounding the *TransNet* program continues to be solid. For instance, SANDAG has improved the data available to the ITOC and other committees on a quarterly basis to include extensive program revenue and expenditure data to assist in overseeing the program and ensuring it is on course. Additionally, there is a record of past ITOC decisions now maintained to enhance ITOC’s effectiveness in overseeing the program – especially as members transition on and off the committee – and transparency to the public as well.”

Every month, staff provides ITOC members with a report on Board of Directors and Transportation Committee actions taken on *TransNet*-related items. At the request of ITOC members, historical actions in the form of chronologies are provided with each project progress

¹ The FY 2015 *TransNet* Triennial Performance Audit report and recommendations can be found on the SANDAG website: sandag.org/uploads/committeeid/committeeid_75_19305.pdf

report. Regular reporting on the status of Early Action Program projects, routine review of the projects proposed for funding in the Regional Transportation Improvement Program, quarterly reporting on the progress made by *TransNet* recipient agencies, quarterly financial reporting, and onboarding for new ITOC members are all examples of reporting practices implemented that have strengthened general oversight and helped ITOC fulfill its responsibilities more effectively.

While the need for additional reporting identified in previous audits has been addressed through the implementation of the regular monitoring practices listed in the paragraph above, the most recent performance audit included the additional recommendation to adopt a method to further consider alternating service terms. To ensure continuity of methods and processes such that the strong level of historical knowledge among committee members may be further maintained, the FY 2015 audit recommends changes to ITOC member term limits.

Proposed Changes to ITOC Member Term Limits

The attachment to the *TransNet* Extension Ordinance entitled "Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the *TransNet* Program" states as follows:

ITOC members shall serve a term of four years, except that initial appointments may be staggered with terms of two to four years.... In no case shall any member serve more than eight years on the ITOC...Term limits for ITOC members should be staggered to prevent significant turnover at any one time. The initial appointment process should be based on this staggered term limit concept.

The ITOC Bylaws further state the following:

ITOC members shall serve a term of four years, except that initial appointments may be staggered with terms of two to four years. Term limits for ITOC members should be staggered to prevent significant turnover at any one time. If mid-term vacancies occur..... the process for replacement shall generally follow the same process as established for regular appointments.... The Selection Committee may modify the process as may be necessary given the particular circumstances.

The four proposed amendments to the *TransNet* Extension Ordinance and ITOC Bylaws are attached and shown in tracked changes (Attachments 2 and 3). Suggested modifications to existing language included in the Ordinance and ITOC Bylaws would allow members filling mid-term vacancies to serve an additional two four-year terms, not to exceed a total of ten years. Proposed changes also would include further staggering to prevent turnover of more than two members at any one time. Third, in the event that more than two members need to be replaced during the same recruitment period, the Selection Committee would determine the length of the members' first term. A listing noting upcoming term expirations for ITOC positions is included below.

Terms expiring May 2017	Terms expiring May 2019
A professional with experience in the management of large-scale construction projects	A professional in the field of municipal/public finance and/or budgeting
A professional with experience in real estate, land economics, and/or right-of-way acquisition	A professional in biology or environmental science
The chief executive officer or person in a similar senior-level decision-making position of a major private sector employer	A licensed engineer with appropriate credentials in the field of transportation project design or construction
	A licensed architect, civil engineer or traffic engineer

Finally, the ITOC Bylaws would include one further proposed change to clarify that, in addition to ITOC recommendation, approval by the Board of Directors is necessary in order to amend ITOC Bylaws.

Next Steps

The Board of Directors, acting as the San Diego County Regional Transportation Commission, is scheduled to consider adoption of RTC Ordinance No. RTC-CO-2017-04, approving the proposed amendments to the *TransNet* Extension Ordinance and ITOC Bylaws in March. Pending approval by a two-thirds majority of the Board, the amendments would take effect in time for the next round of ITOC member appointments scheduled to occur in May 2017.

GARY L. GALLEGOS
Executive Director

- Attachments:
1. RTC Ordinance No. RTC-CO-2017-04, Approving Proposed Amendments to the *TransNet* Extension Ordinance
 2. Proposed Amendments to "Statement of Understanding Regarding the Implementation of the Independent Taxpayer Oversight Committee for the *TransNet* Program"
 3. Proposed Amendments to *TransNet* ITOC Bylaws

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RESOLUTION NO. RTC-CO-2017-04

AN ORDINANCE OF THE SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION AMENDING REGIONAL TRANSPORTATION COMMISSION ORDINANCE NO. RTC-CO-04-01 RELATED TO INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE TERM LIMITS

WHEREAS, the *TransNet* Extension Ordinance established the Independent Taxpayer Oversight Committee (ITOC) to provide an enhanced level of accountability for the expenditure of funds and to develop recommendations for improvements to the performance of the *TransNet* program;

WHEREAS, the *TransNet* ITOC roles and responsibilities are described in the document incorporated by reference to the *TransNet* Extension Ordinance and titled "STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE FOR THE *TransNet* PROGRAM;" and

WHEREAS, Responsibility No. 3 states the ITOC shall have the responsibility to conduct triennial performance audits of SANDAG and other agencies involved in the implementation of *TransNet*-funded projects and programs; and

WHEREAS, the FY 2015 *TransNet* Triennial Performance Audit included a recommendation to consider a different method for alternating ITOC member term limits in order to better preserve ITOC member institutional knowledge;

NOW THEREFORE BE IT RESOLVED that the SANDAG Board of Directors, ALSO ACTING AS THE SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, DOES HEREBY RESOLVE AS FOLLOWS:

The Terms and Conditions section of the attachment to Regional Transportation Commission Ordinance No. RTC-CO-04-01 entitled "STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE FOR THE *TransNet* PROGRAM" is hereby amended to read as set forth below:

Terms and Conditions for ITOC members

- ITOC members shall serve a term of four years, except that ~~initial~~ appointments may be ~~staggered with terms of two to four years~~ less than four years in order to ensure the terms of the ITOC members are sufficiently staggered.
- ITOC members shall serve without compensation except for direct expenses related to the work of the ITOC.

- ~~In no case shall any member serve more than eight years on the ITOC. ITOC members shall serve no more than eight years unless the member's first term was less than four years, in which case the member may serve an additional two terms after the partial term. In no case, however, shall any member serve more than ten years on the ITOC.~~
- If and when vacancies in the membership of the ITOC occur, the same selection process as outlined above shall be followed to select a replacement to fill the remainder of the term. At the completion of a term, eligible incumbent members will need to apply for reappointment for another term.
- Term limits for ITOC members should be staggered to prevent ~~significant~~ turnover of more than two members at any one time. ~~The initial appointment process should be based on this staggered term limit concept.~~ In the event more than two members need to be replaced during the same recruitment period, the Selection Committee shall determine the length of their replacements' first term in order to limit concurrent future turnover. *(Changes in strikeout and underline)*

PASSED AND ADOPTED this 24th of March 2017.

AYES:

NOES:

ABSENT:

Chair of the Board of Directors
of the San Diego County Regional
Transportation Commission

[Seal]

Attest:

Secretary of the Board of Directors of the
San Diego County Regional Transportation
Commission

[Excerpt from *TransNet Extension Ordinance and Expenditure Plan*]

**STATEMENT OF UNDERSTANDING REGARDING THE IMPLEMENTATION OF THE
INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE
FOR THE *TransNet* PROGRAM**

Purpose of the ITOC

The Independent Taxpayer Oversight Committee (ITOC) is intended to provide an increased level of accountability for expenditures made under the *TransNet Extension*, in addition to the independent annual fiscal and compliance audits required under the existing *TransNet* program. The ITOC should function in an independent, open and transparent manner to ensure that all voter mandates are carried out as required in the Ordinance and Expenditure Plan, and to develop positive, constructive recommendations for improvements and enhancements to the financial integrity and performance of the *TransNet* program.

Intent of the ITOC as a Functional Partner to SANDAG

The *TransNet* Ordinance contains a summary of the ITOC's role and responsibilities consistent with the above Purpose. In this document, additional and supplementary details with regard to the ITOC are delineated. These pertain to the process for selecting members of ITOC, terms and conditions governing membership, responsibilities, funding and administration, and conflict of interest provisions.

It is noteworthy that these details have been developed in a cooperative process between SANDAG and representatives of the San Diego County Taxpayers Association, and with the involvement of other transportation professionals within the region. This document is understood to provide the basis for describing how the ITOC will function once the Ordinance is approved.

In addition to the details outlined in this document the intent that provides the foundation for the desired partnership between ITOC and SANDAG, as viewed by the principal authors, is summarized as follows:

- **Resource**—it is the intent that the ITOC will serve as an independent resource to assist in the SANDAG implementation of *TransNet* projects and programs. The Committee's membership is designed to provide to SANDAG a group of professionals who, collectively, can offer SANDAG the benefit of their experience to advance the timely and efficient implementation of *TransNet* projects and programs. The ITOC will work in a public way to ensure all deliberations are conducted in an open manner. Regular reports from the ITOC to the SANDAG Board of Directors (or policy committees) are expected with regard to program and project delivery, and overall performance.
- **Productive**—it is the intent that the ITOC will rely upon data and processes available at SANDAG, studies initiated by the ITOC, and other relevant data generated by reputable sources. It is understood, however, that SANDAG will be continuously striving to improve the reliability of data and to update analytical and modeling processes to be consistent with the state-of-the-art, and that the ITOC will be kept abreast of any such efforts, and invited to participate in development of such updates in a review capacity.

- Cost-efficient—it is the intent that the ITOC will not add cost burden to the SANDAG implementation of the *TransNet* program and projects. Rather, through a cooperative and productive working relationship between ITOC and the SANDAG implementation team, it is the objective that costs will be saved.
- Flexible—it is the intent that the ITOC will assist SANDAG to be opportunistic to take advantage of changing situations in the future with regard to technologies and transportation developments. Therefore, the provisions contained below are viewed through 2048 based upon a 2004 perspective and are not meant to be unduly restrictive on ITOC's and SANDAG's roles and responsibilities.

Membership and Selection Process

1. Membership: There shall be seven ITOC voting members with the characteristics described below. The intent is to have one member representing each of the specified areas of expertise. If, however, after a good faith effort, qualified individuals have not been identified for one or more of the areas of expertise, then no more than two members from one or more of the remaining areas of expertise may be selected. For each of the areas of expertise listed below, an individual representing one of the region's colleges or universities with a comparable level of academic experience also would be eligible for consideration.
 - A professional in the field of municipal/public finance and/or budgeting with a minimum of ten years in a relevant and senior decision making position in the public or private sector.
 - A licensed architect, civil engineer or traffic engineer with demonstrated experience of ten years or more in the fields of transportation and/or urban design in government or the private sector.
 - A professional with demonstrated experience of ten years or more in real estate, land economics, and/or right-of-way acquisition.
 - A professional with demonstrated experience of ten years or more in the management of large-scale construction projects.
 - A licensed engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten years of experience in a relevant and senior decision making position in the government or private sector.
 - The chief executive officer or person in a similar senior-level decision making position, of a major private sector employer with demonstrated experience in leading a large organization.
 - A professional in biology or environmental science with demonstrated experience of ten years or more with environmental regulations and major project mitigation requirements and/or habitat acquisition and management.
 - Ex-Officio Members: SANDAG Executive Director and the San Diego County Auditor

The criteria established for the voting members of the ITOC are intended to provide the skills and experience needed for the ITOC to carry out its responsibilities and to play a valuable and constructive role in the ongoing improvement and enhancement of the *TransNet* program. Applications will be requested from individuals interested in serving on the ITOC through an open, publicly noticed solicitation process.

2. **Technical Screening Committee:** A technical screening committee will be established to review applications received from interested individuals. This committee will consist of three members selected by the SANDAG Executive Director from high-level professional staff of local, regional, state, or federal transportation agencies outside of the San Diego region, or from one of the region's colleges or universities in a transportation-related field, or a combination thereof. The committee will develop a list of candidates determined to be qualified to serve on the ITOC based on the criteria established for the open position(s) on the ITOC. The technical screening committee will recommend two candidates for each open position from the list of qualified candidates for consideration by the Selection Committee. The recommendations shall be made within 30 days of the noticed closing date for applications.

3. **Selection Committee:** A selection committee shall be established to select the ITOC members from the list of qualified candidates recommended by the technical screening committee. The selection committee shall consist of the following:
 - Two members of the County of San Diego Board of Supervisors
 - The Mayor of the City of San Diego
 - A mayor from the Cities of Chula Vista, Coronado, Imperial Beach, or National City selected by the mayors of those cities.
 - A mayor from the Cities of El Cajon, La Mesa, Lemon Grove, or Santee selected by the mayors of those cities.
 - A mayor from the Cities of Carlsbad, Del Mar, Encinitas, Oceanside, or Solana Beach selected by the mayors of those cities.
 - A mayor from the Cities of Escondido, Poway, San Marcos, or Vista selected by the mayors of those cities.

The selection of ITOC members shall be made within 30 days of the receipt of recommendations from the technical screening committee. All meetings of the selection committee shall be publicly noticed and conducted in full compliance with the requirements of the Brown Act. Should the selection committee be unable to reach agreement on a candidate from the qualified candidates recommended by the technical screening committee, the selection committee shall request the technical screening committee to recommend two additional qualified candidates for consideration.

Terms and Conditions for ITOC members

- ITOC members shall serve a term of four years, except that ~~initial appointments may be staggered with terms of two to four years~~ less than four years in order to ensure the terms of the ITOC members are sufficiently staggered.
- ITOC members shall serve without compensation except for direct expenses related to the work of the ITOC.
- ~~In no case shall any member serve more than eight years on the ITOC.~~ ITOC members shall serve no more than eight years unless the member's first term was less than four years, in which case the member may serve an additional two terms after the partial term. In no case, however, shall any member serve more than ten years on the ITOC.

- If and when vacancies in the membership of the ITOC occur, the same selection process as outlined above shall be followed to select a replacement to fill the remainder of the term. At the completion of a term, eligible incumbent members will need to apply for reappointment for another term.
- Term limits for ITOC members should be staggered to prevent significant turnover of more than two members at any one time. The initial appointment process should be based on this staggered term limit concept. In the event more than two members need to be replaced during the same recruitment period, the Selection Committee shall determine the length of their replacements' first term in order to limit concurrent future turnover.

ITOC Responsibilities

The ITOC shall have the following responsibilities:

1. Conduct an annual fiscal and compliance audit of all TransNet-funded activities using the services of an independent fiscal auditor to assure compliance with the voter-approved Ordinance and Expenditure Plan. This annual audit will cover all recipients of TransNet funds during the fiscal year and will evaluate compliance with the maintenance of effort requirement and any other applicable requirements. The audits will identify expenditures made for each project in the prior fiscal year and will include the accumulated expenses and revenues for ongoing, multi-year projects.
2. Prepare an annual report to the SANDAG Board of Directors presenting the results of the annual audit process. The report should include an assessment of the consistency of the expenditures of *TransNet* funds with the Ordinance and Expenditure Plan and any recommendations for improving the financial operation and integrity of the program for consideration by the SANDAG Board of Directors. This consistency evaluation will include a review of expenditures by project type for each local jurisdiction. The ITOC shall share the initial findings of the independent fiscal audits and its recommendations with the SANDAG Transportation Committee 60 days prior to their release to resolve inconsistencies and technical issues related to the ITOC's draft report and recommendations. Once this review has taken place, the ITOC shall make any final amendments it deems appropriate to its report and recommendations, and adopt its report for submission directly to the SANDAG Board of Directors and the public. The ITOC shall strive to be as objective and accurate as possible in whatever final report it adopts. Upon completion by the ITOC, the report shall be presented to the SANDAG Board of Directors at its next regular meeting and shall be made available to the public.
3. Conduct triennial performance audits of SANDAG and other agencies involved in the implementation of *TransNet*-funded projects and programs to review project delivery, cost control, schedule adherence and related activities. The review should include consideration of changes to contracting, construction, permitting and related processes that could improve the efficiency and effectiveness of the expenditure of TransNet revenues. These performance audits shall be conducted using the services of an independent performance auditor and should include a review of the ITOC's performance. A draft of the ITOC's report and recommendations regarding the performance audits shall be made available to the SANDAG Transportation Committee at least 60 days before its final adoption by the ITOC to resolve inconsistencies and technical issues related to the ITOC's draft report and recommendations. Once this review has

taken place, the ITOC shall make any final amendments it deems appropriate to its report and related recommendations, and adopt its report for presentation directly to the SANDAG Board of Directors and the public. The ITOC shall strive to be as objective and constructive as possible in the text and presentation of the performance audits. Upon completion by the ITOC, the report shall be presented to the SANDAG Board of Directors at its next regular meeting and shall be made available to the public.

4. Provide recommendations to the SANDAG Board of Directors regarding any proposed amendments to the Ordinance and Expenditure Plan.
5. Provide recommendations as part of the 10-year review process. This process provides an opportunity to undertake a comprehensive review of the TransNet program every 10 years and to make recommendations for improving the program over the subsequent 10 years. This review process should take into consideration the results of the TransNet-funded improvements as compared to the performance standards established through the Regional Transportation Plan and the Regional Comprehensive Plan.
6. Participate in the ongoing refinement of the SANDAG transportation system performance measurement process and the project evaluation criteria used in development of the Regional Transportation Plan (RTP) and in prioritizing projects for funding in the Regional Transportation Improvement Program. The focus of this effort will be on TransNet-funded projects. Based on the periodic updates to the RTP, as required by state and federal law, the oversight committee shall develop a report to the SANDAG Transportation Committee, the SANDAG Board of Directors and the public providing recommendations for possible improvements and modifications to the TransNet program.
7. On an annual basis, review ongoing SANDAG system performance evaluations, including the SANDAG "State of the Commute" report, and provide an independent analysis of information included in that report. This evaluation process is expected to include such factors as level of service measurements by roadway segment and by time of day, throughput in major travel corridors, and travel time comparisons by mode between major trip origins and destinations. Such information will be used as a tool in the RTP development process.
8. Review and comment on the programming of *TransNet* revenues in the Regional Transportation Improvement Program (RTIP). This provides an opportunity for the ITOC to raise concerns regarding the eligibility of projects proposed for funding before any expenditures are made. In addition to a general eligibility review, this effort should focus on significant cost increases and/or scope changes on the major corridor projects identified in the Ordinance and Expenditure Plan.
9. Review proposed debt financings to ensure that the benefits of the proposed financing for accelerating project delivery, avoiding future cost escalation, and related factors exceed issuance and interest costs.
10. Review the major Congestion Relief projects identified in the Ordinance for performance in terms of cost control and schedule adherence on a quarterly basis.

In carrying out its responsibilities, the ITOC shall conduct its reviews in such a manner that does not cause unnecessary project delays, while providing sufficient time to ensure that adequate analysis can

be completed to allow the ITOC to make objective recommendations and to provide the public with information about the implementation of the *TransNet* program.

ITOC Funding and Administration

1. All costs incurred in administering the activities of the ITOC, including related fiscal and performance audit costs, shall be paid annually from the proceeds of the *TransNet* sales tax. The funds made available to the ITOC shall not exceed \$250,000 annually, as adjusted for inflation annually for the duration of the program. Any funds not utilized in one fiscal year shall remain available for expenditure in subsequent years as part of the annual budget process.
2. The expenditures of the ITOC shall be audited annually as part of the same fiscal audit process used for all other *TransNet*- funded activities.
3. The process for selecting the initial ITOC members shall be started no later than April 1 of the year following the passage of the Ordinance by the voters. Because the funding for this activity would not be available until Fiscal Year 2008-09, the ITOC activities during the initial transition period will be phased in to the extent possible within the budget constraints of the one percent administrative cap under the current *TransNet* Ordinance. Given the forty-year duration of the *TransNet* tax extension, the ITOC shall continue as long as funds from the current authorization remain available.
4. An annual ITOC operating budget shall be prepared and submitted to the SANDAG Board of Directors for its approval 90 days prior to the beginning of each fiscal year.
5. All ITOC meetings shall be public meetings conducted in full compliance with the Brown Act. The ITOC will meet on a regular basis, at least quarterly, to carry out its roles and responsibilities.
6. SANDAG Directors and staff will fully cooperate with and provide necessary support to the ITOC to ensure that it successfully carries out its duties and obligations, but should limit involvement to the provision of information required by the ITOC to ensure the independence of the ITOC as it carries out its review of the *TransNet* program and develops its recommendations for improvements.
7. ITOC members and their designated auditors shall have full and timely access to all public documents, records and data with respect to all *TransNet* funds and expenditures.
8. All consultants hired by the ITOC shall be selected on an open and competitive basis with solicitation of proposals from the widest possible number of qualified firms as prescribed by the SANDAG procedures for procurement. The scope of work of all such consultant work shall be adopted by the ITOC prior to any such solicitation.
9. SANDAG shall provide meeting space, supplies and incidental materials adequate for the ITOC to carry out its responsibilities and conduct its affairs. Such administrative support shall not be charged against the funds set aside for the administration of the ITOC provided under No. 1 above.

Conflict of Interest

The ITOC shall be subject to the SANDAG conflict of interest policies. ITOC members shall have no legal action pending against SANDAG and are prohibited from acting in any commercial activity directly or indirectly involving SANDAG, such as being a consultant to SANDAG or to any party with pending legal actions against SANDAG during their tenure on the ITOC. ITOC members shall not have direct commercial interest or employment with any public or private entity, which receives *TransNet* sales tax funds authorized by this Ordinance.

DRAFT

***TransNet* INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE**

BYLAWS

INTRODUCTION

The *TransNet Extension* Ordinance and Expenditure Plan, approved by the voters in November, 2004 as Proposition A, established the Independent Taxpayer Oversight Committee (ITOC). The ITOC is intended to provide an increased level of accountability for expenditures made under the *TransNet Extension*, in addition to the independent annual fiscal and compliance audits required under the existing *TransNet* program. The ITOC is to function in an independent, open and transparent manner to ensure that all voter mandates are carried out as required in the Ordinance and Expenditure Plan, to support the implementation of the objectives of Proposition A to reduce congestion and improve regional mobility, and to develop positive, constructive recommendations for improvements and enhancements to the financial integrity and performance of the *TransNet* program. The ITOC reports to the public and makes recommendations to the SANDAG Board of Directors, which has the responsibility for decisions related to the implementation of the *TransNet* program. These bylaws are based on the provisions related to the ITOC that were included as part of Proposition A.

A. MEMBERSHIP

There shall be seven ITOC voting members with the characteristics described below. The intent is to have one member representing each of the specified areas of expertise. If, however, after a good faith effort, qualified individuals have not been identified for one or more of the areas of expertise, then no more than two members from one or more of the remaining areas of expertise may be selected. For each of the areas of expertise listed below, an individual representing one of the region's colleges or universities with a comparable level of academic experience also would be eligible for consideration. The criteria established for the voting members of the ITOC are intended to provide the skills and experience needed for the ITOC to carry out its responsibilities and to play a valuable and constructive role in the ongoing improvement and enhancement of the *TransNet* program. Applications will be requested from individuals interested in serving on the ITOC through an open, publicly noticed solicitation process. The seven voting members are to include:

1. A professional in the field of municipal/public finance and/or budgeting with a minimum of ten years in a relevant and senior decision making position in the public or private sector.
2. A licensed architect, civil engineer or traffic engineer with demonstrated experience of ten years or more in the fields of transportation and/or urban design in government or the private sector.
3. A professional with demonstrated experience of ten years or more in real estate, land economics, and/or right-of-way acquisition.
4. A professional with demonstrated experience of ten years or more in the management of large-scale construction projects.
5. A licensed engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten years of experience in a relevant and senior decision making position in the government or private sector.
6. The chief executive officer or person in a similar senior-level decision making position, of a major private sector employer with demonstrated experience in leading a large organization.

7. A professional in biology or environmental science with demonstrated experience of ten years or more with environmental regulations and major project mitigation requirements and/or habitat acquisition and management.
8. Ex-Officio Members: SANDAG Executive Director and the San Diego County Auditor

B. SELECTION PROCESS

1. Technical Screening Committee

A technical screening committee will be established to review applications received from interested individuals. This committee will consist of three members selected by the SANDAG Executive Director from high-level professional staff of local, regional, state or federal transportation agencies outside of the San Diego region, or from one of the region's colleges or universities in a transportation-related field, or a combination thereof. The committee will develop a list of candidates determined to be qualified to serve on the ITOC based on the criteria established for the open position(s) on the ITOC. The technical screening committee will recommend two candidates for each open position from the list of qualified candidates for consideration by the Selection Committee. The recommendations shall be made within 30 days of the noticed closing date for applications.

2. Selection Committee

A selection committee shall be established to select the ITOC members from the list of qualified candidates recommended by the technical screening committee. The selection committee shall consist of the following:

- Two members of the County of San Diego Board of Supervisors
- The Mayor of the City of San Diego
- A mayor from the Cities of Chula Vista, Coronado, Imperial Beach, or National City selected by the mayors of those cities.
- A mayor from the Cities of El Cajon, La Mesa, Lemon Grove, or Santee selected by the mayors of those cities.
- A mayor from the Cities of Carlsbad, Del Mar, Encinitas, Oceanside, or Solana Beach selected by the mayors of those cities.
- A mayor from the Cities of Escondido, Poway, San Marcos, or Vista selected by the mayors of those cities.

The selection of ITOC members shall be made within 30 days of the receipt of recommendations from the technical screening committee. All meetings of the selection committee shall be publicly noticed and conducted in full compliance with the requirements of the Brown Act. Should the selection committee be unable to reach agreement on a candidate from the qualified candidates recommended by the technical screening committee, the selection committee shall request the technical screening committee to recommend two additional qualified candidates for consideration.

C. TERMS AND CONDITIONS FOR ITOC MEMBERS

1. Length of Term

ITOC members shall serve a term of four years, except that ~~initial~~ appointments may be less than four years in order to ensure the terms of the ITOC members are sufficiently staggered. ~~staggered with terms of two to four years. Term limits for ITOC members should be staggered to prevent significant turnover at any one time.~~

Term limits for ITOC members should be staggered to prevent turnover of more than two members at any one time. In the event more than two members need to be replaced during the same recruitment period, the Selection Committee shall determine the length of their replacements' first term in order to limit concurrent future turnover.

2. Additional Term

For a member eligible to serve for an additional four year term, an application for reappointment to continue as a member of the ITOC must be submitted to the Selection Committee for approval at least 120 days prior to the end of the member's current term. If the Selection Committee does not approve the additional term, the position will be considered vacant at the end of the member's current term and the selection process for a new member will be initiated. In no case shall any member having served two four-year terms, serve more than eight years on the ITOC.

ITOC members shall serve no more than eight years unless the member's first term was less than four years, in which case the member can may serve an additional two terms after the partial term. In no case, however, shall any member serve more than ten years on the ITOC.

3. Removal from Membership

Members of the ITOC may be removed for cause including the member's failure to attend more than 50% of the regular ITOC meetings, not including special meetings or subcommittee meetings, in one calendar year or for failure to comply with the ITOC's conflict of interest provisions. The Selection Committee will be automatically notified when an ITOC member has failed to meet the established standard for attendance and will consider any appeal or review of extenuating circumstances prior to initiating the process to select a new member.

4. Vacancies

If mid-term vacancies occur as a result of Section C(3) or due to the death, disability, or resignation of a member, the process for replacement shall generally follow the same process as established for regular appointments described in Section B. The Selection Committee may modify the process as may be necessary given the particular circumstances. Every effort should be made to fill the vacancy in the same area of expertise.

5. Selection of Chair and Vice-Chair:

The ITOC shall select a Chair and Vice-Chair by majority vote of the committee. The Chair and Vice-Chair shall serve a term of one year. The selection will be made at the first regular meeting following commencement of the SANDAG fiscal year.

6. Responsibilities of the Chair

The Chair will run the ITOC meetings, work with staff to set the agenda for the meetings, and serve as the primary spokesperson for the ITOC to the SANDAG Board of Directors and Transportation Committee, other groups and organizations, and the media.

7. Responsibilities of the Vice-Chair

The Vice-Chair serves in the capacity of the Chair when the Chair is not available.

8. Compensation

ITOC members shall serve without compensation except for direct expenses (parking/mileage for attendance at meetings) related to the work of the ITOC.

9. Conflict of Interest

The ITOC shall be subject to the SANDAG conflict of interest policies. ITOC members shall have no legal action pending against SANDAG and are prohibited from acting in any commercial activity directly or indirectly involving SANDAG, such as being a consultant to SANDAG or to any party with pending legal actions against SANDAG during their tenure on the ITOC. ITOC members shall not have direct commercial interest or employment with any public or private entity, which receives *TransNet* sales tax funds authorized by this Ordinance. Each ITOC member shall be required to sign a conflict of interest statement and an annual statement of economic interests.

D. ITOC FUNDING AND ADMINISTRATION

1. Annual Funding

Beginning with the implementation of the *TransNet Extension* on July 1, 2008, costs incurred in administering the activities of the ITOC, including related fiscal and performance audit costs, shall be paid annually from the proceeds of the *TransNet* sales tax. The funds made available to the ITOC shall not exceed \$250,000 annually, as adjusted for inflation annually for the duration of the program. Any funds not utilized in one fiscal year shall remain available for expenditure in subsequent years as part of the annual budget process.

2. Transition Period

During the initial transition period through July 1, 2008, the ITOC's activities will be phased in to the extent possible within the budget constraints of the one percent administrative cap under the initial *TransNet* Ordinance. Through June 30, 2008, the provisions of the initial *TransNet* Ordinance will remain in effect with requirements such as the completion of the annual fiscal audits of *TransNet* recipients being administered by SANDAG using the 1% administrative funds. Staff will work in

coordination with the ITOC on key activities that will become ITOC responsibilities after July 1, 2008 and seek ITOC's input as appropriate during this transition period.

3. Duration of the ITOC

Given the forty-year duration of the *TransNet* tax extension, the ITOC shall continue as long as funds from the current authorization remain available. These activities would include conducting annual fiscal audits of recipients until *TransNet* funds are fully expended and the development of related project close-out procedures. The ITOC budget for FY 2048 should reflect the estimated funding required to complete the close-out of the *TransNet* program.

4. Audits of ITOC Expenditures

The expenditures of the ITOC shall be audited annually as part of the same fiscal audit process used for all other *TransNet*-funded activities.

5. Annual Budget Process

An annual ITOC operating budget shall be prepared and submitted to the SANDAG Board of Directors for its approval 90 days prior to the beginning of each fiscal year, starting April 1, 2008 for the 2008-09 Fiscal Year.

6. Open Meeting Requirements

All ITOC meetings, including any standing subcommittees of the ITOC which may be established, shall be public meetings conducted in full compliance with the Brown Act. The ITOC will meet on a regular basis, at least quarterly, to carry out its roles and responsibilities.

7. Meeting Procedures

Except as otherwise provided by the *TransNet* Ordinance or its bylaws, the ITOC shall conduct its business in accordance with generally accepted parliamentary procedures based on the principles of Roberts Rules of Order, as applicable to committees similar to the ITOC.

8. Quorum

A quorum of the ITOC shall consist of a minimum of four members. To pass a motion, fifty percent plus one of the members present and voting must vote in favor (a minimum of three votes at the minimum quorum level).

9. Access to Records

ITOC members and their designated auditors shall have full and timely access to all public documents, records and data with respect to all *TransNet* funds and expenditures.

10. Consultant Selection

All consultants hired by the ITOC shall be selected on an open and competitive basis with solicitation of proposals from the widest possible number of qualified firms as prescribed by the SANDAG procedures for procurement. The scope of work of all such consultant work shall be adopted by the ITOC prior to any such solicitation.

E. STAFFING AND SUPPORT OF THE ITOC

1. General Support for ITOC

At the ITOC's request, SANDAG shall provide reasonable staff support and shall provide meeting space for regularly scheduled meetings at the SANDAG offices (401 B Street, Suite 800, San Diego, CA 92101). SANDAG will provide supplies and incidental materials adequate for the ITOC to carry out its responsibilities and conduct its affairs. Such staffing and administrative support shall not be charged against the funds set aside for the administration of the ITOC provided under Section D(1).

2. Compliance with Public Meeting Requirements

SANDAG shall assist the ITOC in terms of compliance with the public meeting laws, including posting meeting notices and agendas. An Internet webpage for the ITOC will be maintained by SANDAG as part of its website containing ITOC agenda materials, reports, and other information related to the ITOC. As a general practice, the agenda and related materials will be distributed to ITOC members one week prior to the scheduled meeting.

3. Preserving ITOC Independence

SANDAG Directors and staff will fully cooperate with and provide necessary support to the ITOC to ensure that it successfully carries out its duties and obligations, but should limit involvement to the provision of information required by the ITOC to ensure the independence of the ITOC as it carries out its review of the *TransNet* program and develops its recommendations for improvements.

F. ITOC ROLES AND RESPONSIBILITIES

The *TransNet* Ordinance specifies the roles and responsibilities for the ITOC and describes the intent of the ITOC as a functional partner to SANDAG in the ongoing implementation of the *TransNet* program. As stated in the *TransNet* Ordinance, in carrying out its responsibilities, the ITOC shall conduct its reviews in such a manner that does not cause unnecessary project delays, while providing sufficient time to ensure that adequate analysis can be completed to allow the ITOC to make objective recommendations and to provide the public with information about the implementation of the *TransNet* program.

1. Intent

The *TransNet* Extension Ordinance (pp. 44-45) contained intent language that summarized the foundation of the desired relationship between ITOC and SANDAG. That intent language is included below and provides general guidance for how the ITOC and SANDAG should interact as the ITOC carries out each of the specific roles and responsibilities.

- Resource—it is the intent that the ITOC will serve as an independent resource to assist in the SANDAG implementation of *TransNet* projects and programs. The Committee's membership is designed to provide to SANDAG a group of professionals who, collectively, can offer SANDAG the benefit of their experience to advance the timely and efficient implementation of *TransNet* projects and programs. The ITOC will work in a public way to ensure all deliberations are conducted in an open manner. Regular reports from the ITOC to the public and to the SANDAG Board of

Directors (or policy committees) are expected with regard to program and project delivery, and overall performance.

- Productive—it is the intent that the ITOC will rely upon data and processes available at SANDAG, studies initiated by the ITOC, and other relevant data generated by reputable sources. It is understood, however, that SANDAG will be continuously striving to improve the reliability of data and to update analytical and modeling processes to be consistent with the state-of-the-art, and that the ITOC will be kept abreast of any such efforts, and invited to participate in development of such updates in a review capacity.
- Cost-efficient—it is the intent that the ITOC will not add cost burden to the SANDAG implementation of the *TransNet* program and projects. Rather, through a cooperative and productive working relationship between ITOC and the SANDAG implementation team, it is the objective that costs will be saved.
- Flexible—it is the intent that the ITOC will assist SANDAG to be opportunistic to take advantage of changing situations in the future with regard to technologies and transportation developments.

2. Implementation Procedures

A set of implementation procedures for each of the basic ITOC responsibilities established in the Ordinance will be developed by the ITOC and updated from time to time as necessary. These implementation procedures will be based on the basic Ordinance language for each ITOC responsibility with additional background information, a detailed description of the way in which the ITOC is to approach each area of responsibility, and a schedule or general timing for when each activity should be undertaken.

G. EFFECTIVE DATE AND AMENDMENTS:

1. Effective Date

These Bylaws shall become ~~effectively effective upon adoption~~ effective upon approval by the SANDAG Board of Directors by a majority vote of the ITOC.

2. Amendments:

These Bylaws may be amended or repealed and new Bylaws adopted by majority vote of the ITOC members in office at that time and subject to SANDAG Board of Directors approval.

Attachments:

1. Full Text of the *TransNet Extension* Ordinance and Expenditure Plan
2. Summary of major Brown Act requirements for public meetings
3. Key provisions of Roberts Rules of Order for conducting meetings
4. ITOC Guidelines

Note: Attached materials on Brown Act, Roberts Rules of Order, and related administrative guidelines for conducting meetings were prepared by Julie Wiley, SANDAG General Counsel and were distributed at the first ITOC meeting on May 18, 2005.



**BOARD OF DIRECTORS
FEBRUARY 24, 2017**

ACTION REQUESTED – INFORMATION

***TransNet* ENVIRONMENTAL MITIGATION PROGRAM:
ANNUAL STATUS REPORT**

File Number 1200201

Introduction

The *TransNet* Extension Ordinance and Expenditure Plan, approved countywide by voters in November 2004, includes an Environmental Mitigation Program (EMP), which is a funding allocation category for the cost to “create a reliable approach for funding required mitigation for future transportation improvements thereby reducing costs and accelerating project delivery (*TransNet* Extension Ordinance Section D).”

On February 22, 2008, the Board of Directors authorized a Memorandum of Agreement (MOA) with Caltrans, the California Department of Fish and Wildlife, and the U.S. Fish and Wildlife Service to establish the process to implement the goals of the *TransNet* EMP over a ten-year period. The MOA, executed on March 19, 2008, memorialized a Plan of Finance strategy of \$440 million over ten years for the Biological Mitigation Fund and \$40 million for the Regional Habitat Conservation Fund. The MOA was amended in August 2013 and will expire in February 2018 unless amended.

This report provides an annual status update of the implementation of the EMP for fiscal years 2016 and 2017, to date. The report was presented to the Transportation and Regional Planning Committees at their respective meetings on February 5, 2017. The report also was presented to the Independent Taxpayer Oversight Committee on February 8, 2017. In addition to this report, information has been made available to the public at KeepSanDiegoMoving.com highlighting the current status of the program and key accomplishments.

Discussion

To implement the *TransNet* EMP, two funds were created:

1. Biological Mitigation Fund, which provides funds for the acquisition, restoration, and management of mitigation for regional transportation projects included in the Regional Transportation Plan and for local streets and roads.
2. Regional Habitat Conservation Fund, which provides funding for regional habitat management and monitoring necessary to implement habitat conservation planning throughout the region. These funds help maintain the current condition of the regional habitat preserve system; thereby reducing the likelihood that this system will degrade and reducing the need for listing new species as endangered by federal and state governments.

Attachment 1 provides key achievements of the program.

Biological Mitigation Fund

Current Status

The initial years of the *TransNet* EMP focused on acquisition of uplands to take advantage of depressed land values due to the recession. Starting with the Early Action Program, acquisition opportunities were identified that met the mitigation requirements of regional transportation projects and local streets and roads projects.

Acquisition for mitigation has been far below the \$60,000 per acre cost estimated at the time the *TransNet* Extension Ordinance was adopted. This has resulted in significant cost-savings over the first nine years of the program. In turn, these cost-savings have enabled SANDAG to complete a competitive land acquisition grant program to acquire additional habitat lands as described below. To date, 39 properties totaling 8,669 acres, with a total value of \$157.6 million, have been acquired directly through the *TransNet* EMP (\$127.2 million) or by leveraging non-*TransNet* EMP funding (\$30.4 million).

Since the last annual report was provided to the Board of Directors on February 23, 2016, initiation of mitigation efforts identified in the North Coast Corridor Public Works Plan have commenced. Three acres of historic fill were removed from tidal wetlands in the Agua Hedionda Lagoon, restoring coastal wetland habitat for native birds and fish in September 2015; monitoring now is under way to document this project's success. In December 2016, the San Elijo Lagoon restoration project received a Coastal Development Permit from the California Coastal Commission. The pending lagoon restoration in combination with the railroad double tracking and extension of the Interstate 5 High-Occupancy Vehicle Lanes will promote the comprehensive vision of Senate Bill 468 (Kehoe, 2011) through the implementation of the North Coast Corridor Public Works Plan.

On February 27, 2015, the Board of Directors authorized \$20 million through a competitive grant process to acquire key open space properties. As of the date of this report, seven properties totaling 4,161 acres have been acquired, using \$14.3 million of *TransNet* funds and \$18.3 million of matching funds. One property still is in the process of being acquired, and is expected to close escrow by the end of FY 2017.

Future Focus

Additional major lagoon enhancement and restoration is anticipated to start in the San Elijo and San Dieguito Lagoons in the fall of 2017 and 2018, respectively. In December 2016, a 10-acre expansion of an existing 1.75-acre wetland restoration site in the Tijuana River Valley was started to accommodate the mitigation needs for the Mid-Coast Corridor Transit Project and heavy rail improvement projects. This project will continue to be monitored and managed over the next five years to achieve its success criteria. Additional wetland mitigation sites are being explored for the development of a formal wetland mitigation bank. SANDAG staff also is completing a final Environmental Impact Report on the potential enhancement of the Buena Vista Lagoon.

Habitat Conservation Fund

Current Status

The Habitat Conservation Fund has enabled SANDAG to help fill in the funding gaps for land managers throughout the region. Through eight cycles of land management grants, SANDAG has been able to provide 98 grants totaling \$14.6 million. The *TransNet* funding is being matched with \$9.4 million by the grantees. These land management grants allow land managers to restore, enhance, and protect endangered species and their habitat. Seventy-one grants have been completed and twenty-seven remain active (this includes seventeen grants pending execution this month).

In summer 2015, an evaluation by staff of the *TransNet* EMP Land Management Grant Program was completed. The assessment, posted on the KeepSanDiegoMoving.com/EMP website, evaluated the success of the EMP Land Management Grant Program in providing long-term, tangible benefits to the region's natural environment and sensitive species, thereby advancing the goal of avoiding the future listing of species. The evaluation concluded that overall, the Land Management Grant Program has been successful at providing sustained benefits to the region with every project completed. The program evaluation included nine recommendations to improve efficiency which have been incorporated in the Land Management Grant Program.

SANDAG also is working with the federal and state wildlife agencies, the U.S. Geological Survey, and universities to monitor the existing conditions of the preserve, the pending threats to biological conservation, and actions to promote regional conservation of sensitive species and their habitats. These efforts have led to updated goals and objectives for regional management and monitoring which can be viewed at <https://portal.sdmmp.com>.

Future Focus

Pursuant to the MOA, SANDAG has been allocating \$4 million per year since 2008. The MOA is set to expire in February 2018. Staff will return with a ten-year report on the economic and environmental accomplishments of the EMP, along with recommendations for revisions to the implementing MOA in February 2018.

Over the next year, SANDAG staff will be developing reports on the cost-savings (i.e., economic benefit) resulting from the implementation of the EMP and a status report of regional management and monitoring efforts. These reports will allow staff to make recommendations on any necessary revisions to the current MOA for the Board's consideration. These EMP-related reports also will be included in the future ten-year comprehensive review of all projects and programs implemented under the *TransNet* Program.

GARY L. GALLEGOS
Executive Director

Attachment: 1. *TransNet* Environmental Mitigation Program 2017 Report

Key Staff Contact: Keith Greer, (619) 699-7390, keith.greer@sandag.org

TransNet

Environmental Mitigation Program

Conservation. Research. Stewardship.

SANDAG 

Overview

Since its inception in 2008, the *TransNet* Environmental Mitigation Program (EMP) has played a vital role in habitat conservation, scientific research, and land management across San Diego County.

Through the *TransNet* EMP, the San Diego Association of Governments (SANDAG) purchases, conserves, and restores native habitat to offset potential impacts from the development of transportation projects. *TransNet*, the regional half-cent sales tax for transportation approved by San Diego County voters, dedicated \$850 million to fund the EMP. The *TransNet* Independent Taxpayer Oversight Committee closely monitors program expenditures to ensure public accountability.

As of January 2017, the EMP has helped acquire more than 8,600 acres of valuable open space in partnership with other government agencies and conservation groups. The program also has provided nearly 100 grants to local organizations and jurisdictions for land management efforts, such as invasive species removal.

In recognition of its innovative approach to environmental mitigation, the California Chapter of the American Planning Association conferred its Best Practices Award on the EMP in 2012.

Accomplishments



How big is 8,669 acres?



To see pictures and locations of all the land acquisitions, check out the EMP *TransNet* interactive story map on KeepSanDiegoMoving.com.

Videos of conservation projects also are available on the same website.

SANDAGregion

@SANDAG

SANDAGregion

Habitat Conservation

The open space conserved by the EMP helps to expand existing parks and preserves and creates continuous wildlife corridors that benefit a variety of species, including the California gnatcatcher, Ridgeway's clapper rail, Hermes copper butterfly, least Bell's vireo, Otay Mesa mint, arroyo toad, coastal cactus wren, and burrowing owl. EMP land acquisitions are located in strategic areas countywide, and help to close gaps between conserved areas.

In its early years, the EMP focused on acquisition of uplands. Now focus is shifting to acquisition and restoration of wetlands, including coastal lagoons identified under the North Coast Corridor Public Works Plan. Additional efforts will aim to identify and restore freshwater wetlands.



Before



After

Historic agricultural fill material was removed from the northeastern edge of the Agua Hedionda Lagoon, which restored the natural tidal flow and provides important refuge for fish and birds.



SANDAG partnered with the U.S. Department of Defense and the Endangered Habits Conservancy to preserve the 410-acre Lakeside Downs property in East County – home to the threatened California gnatcatcher and rare Hermes copper butterfly.

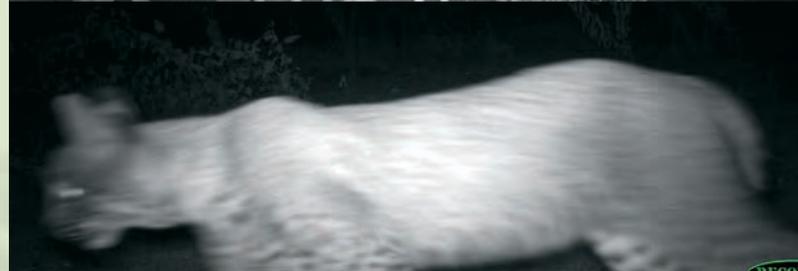
Scientific Research

EMP funds make it possible for scientists to conduct a host of cutting-edge field studies in the San Diego region. These studies include: tracking the movement of mountain lions with GPS collars to discover the routes they use to travel between conserved areas; conducting genetic tests to help reverse the decline of the coastal cactus wren; using radio telemetry data to better understand golden eagles' nesting and foraging behavior; and documenting wildlife activities with motion sensor cameras to find ways to improve linkages between habitats.



Photo courtesy of Pete Bloom

A male golden eagle was released on Dec. 17, 2015 at the San Diego Jamul Ecological Reserve, adjacent to the San Diego Wildlife Refuge. U.S. Geological Survey (USGS) biologists used GPS to study golden eagles in the area with the U.S. Fish and Wildlife Service since October 2014. The research was made possible by an EMP grant.



The U.S. Geological Survey is analyzing photos of wildlife taken by motion sensor cameras to better understand the impediments to habitat connectivity and opportunities for improvement.

Environmental Stewardship

EMP grants support land management activities, coordination, and collaboration across the region. Activities funded by the grants include but are not limited to invasive plant removal, trail restoration, protective fencing, habitat restoration, and monitoring of animals and plants.



A major effort was undertaken to coordinate the monitoring of more than 30 rare plant species. Twenty groups, including land managers and land owners, came together to establish a monitoring baseline to track future changes to these species and prioritize management needs.



Previously thought to be extinct in the San Diego region, badgers have recently been spotted in more than 50 locations thanks to help from ordinary citizens. The U.S. Geological Survey (USGS) is currently studying badgers with EMP funding.



Working with state land managers and non-profits, SANDAG funded efforts to determine the most effective method for removing non-native grasses to help reduce wildfire risk and restore native habitat. Activities such as rotary mowing (pictured) have the potential for cost-effective, large scale applications.

Regional Coordination

As part of the EMP, a working group of land managers and conservationists meet regularly to discuss regional environmental issues, share insights and findings with each other, and collaborate on strategic planning for species and habitat management.

In 2016, land managers, stakeholders, community members, and elected officials from local jurisdictions participated in multiple workshops and discussions focused on updating the Management Strategic Plan which will provide a road map to prioritize regional management efforts and address threats to the San Diego region's natural resources.

For more information about the San Diego Management & Monitoring Program, visit portal.sdmmp.com.

"Cielo Del Norte contains some of the most biologically sensitive habitat in the Escondido Creek watershed. After a quarter century of working toward the preservation of this property, the Escondido Creek Conservancy is ecstatic that the land is now preserved forever as open space."

Leonard Wittwer, who co-founded the Escondido Creek Conservancy with his wife, Martha Blane

"The long-standing effective cooperation between the SANDAG and the U.S. Fish and Wildlife Service was instrumental in the acquisition of the largest remaining block of wildlife habitat within the San Diego National Wildlife Refuge and many other wildlife habitats in San Diego County."

Andy Yuen, project leader of the San Diego National Wildlife Refuge Complex



PROPOSED DATA AND MODELING WORK PLAN

Board of Directors
February 24, 2017

1

PROPOSED WORK PLAN

- 1. CONDUCT DETAILED REVIEW**
- 2. CONDUCT DEPENDENCY ANALYSIS**
- 3. MAP MODELING PROCESS FLOW**
- 4. IMPROVE DATA GOVERNANCE**
- 5. IMPROVE REVIEW AND OVERSIGHT**
- 6. ENHANCE TRANSPARENCY**
- 7. DEVELOP AND FORMALIZE PROCESSES**



2

1. CONDUCT DETAILED REVIEW

► **OBJECTIVE**

Review and validate input data, transformations, and equations to ensure accuracy of data and integrity of model results

► **ACTION**

Trace input from its source through transformations and model equations to the final reported outputs

► **RESULT**

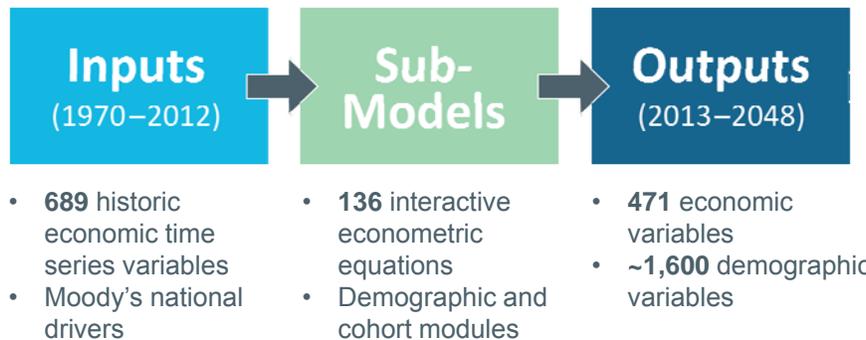
Documentation of errors and confirmation that SR13 Forecast contains no other problems



SERIES 13

Demographic and Economic Forecasting Model (DEFM)

Forecasts demographic (population, housing, jobs, etc.) and economic (income, retail sales, GRP, etc.) data used as inputs in other SANDAG work products

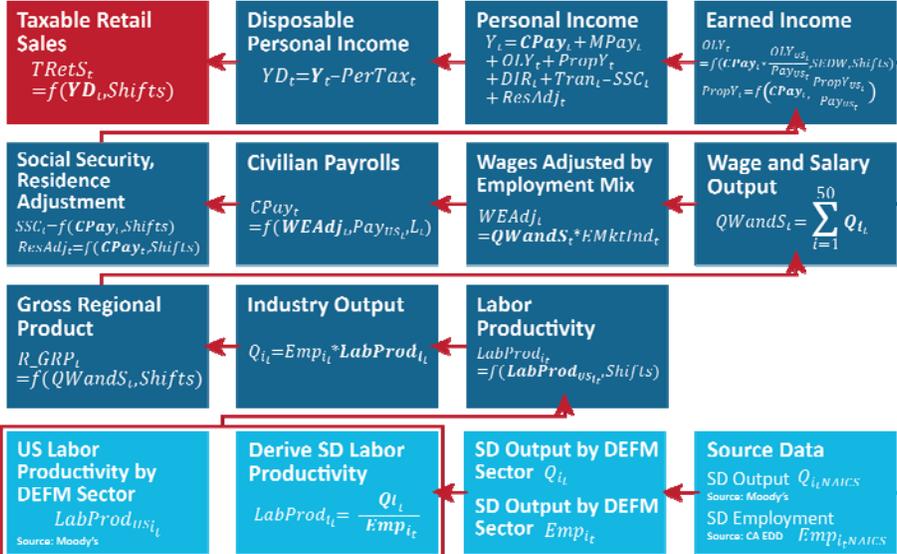


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	6619.4	30
	7564.5	
	8652.1	30
	9364.1	28
	10463.4	28
	10642.5	27
	11659.5	28
	13685.2	32
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	19381.9	38
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	21751.25	38

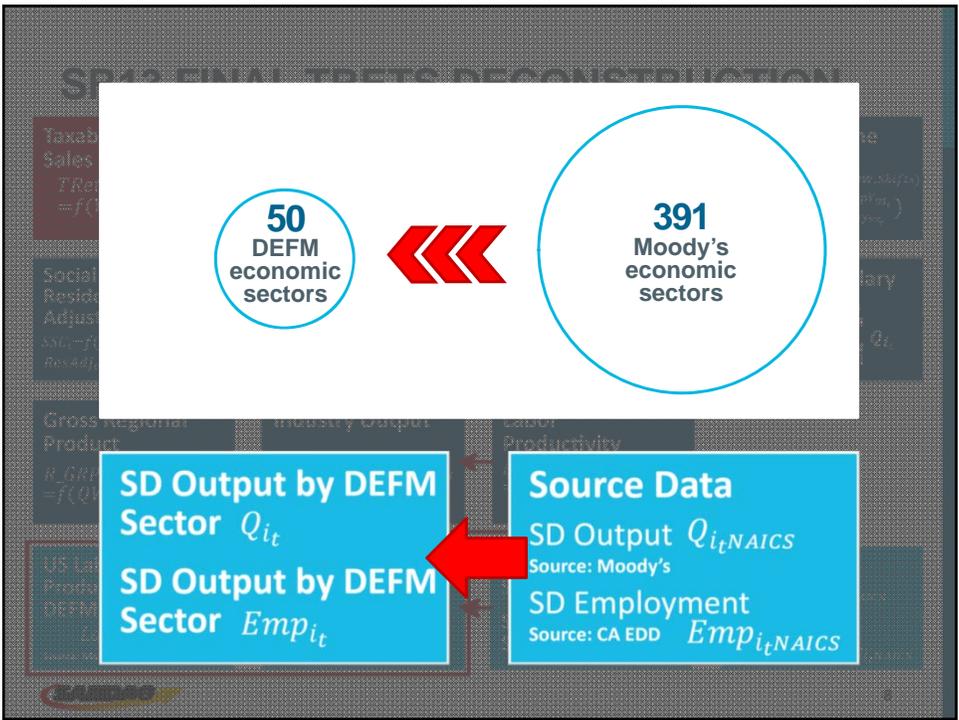
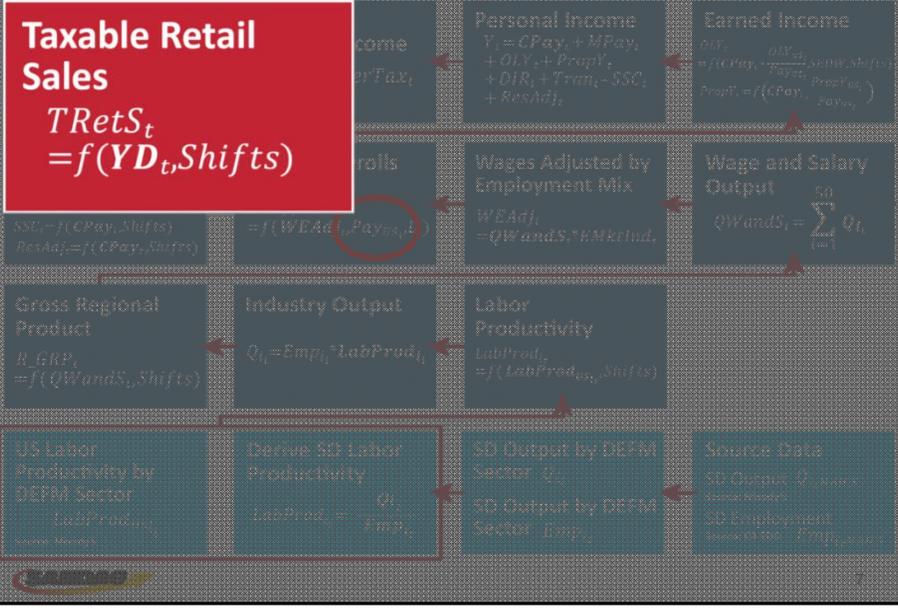
Taxable Retail Sales →

Used in estimating Measure A revenue and *TransNet* financial capacity

SR13 FINAL TRETTS DECONSTRUCTION



SR13 FINAL TRETTS DECONSTRUCTION



2. CONDUCT DEPENDENCY ANALYSIS

▶ OBJECTIVE

Identify key SANDAG reports and deliverables that used suspect data, evaluate significance, and assess effects on findings and policy recommendations

▶ ACTION

- Identify work products that used erroneous data
- Assess impact in terms of significance to the work product
- Ascertain if any material changes in policy or decisions would have been impacted

▶ RESULT

Mitigation plan for impacted products



DEPENDENCY ANALYSIS

1. Identify Products

2. Ascertain

- Severity
- Impact
- Level of Effort to Fix

Product	Detail	(None, Low, Medium, High)		(None, Low, Moderate, High)
		Severity	Comment	Level of Effort to Fix
<i>San Diego Forward</i> Transportation Projects Costs and Phasing (Appendix A)	Expected revenues used to plan projects. ABM modeling used to order projects (also see Appendix M)	Medium	Available <i>TransNet</i> revenues could impact projects.	Moderate - would need to re-estimate revenues and project plans



3. MAP MODELING PROCESS FLOW

► **OBJECTIVE**

Map data flow from source through databases, models, and outputs to provide transparency and identify areas for improved quality assurance processes.

► **ACTION**

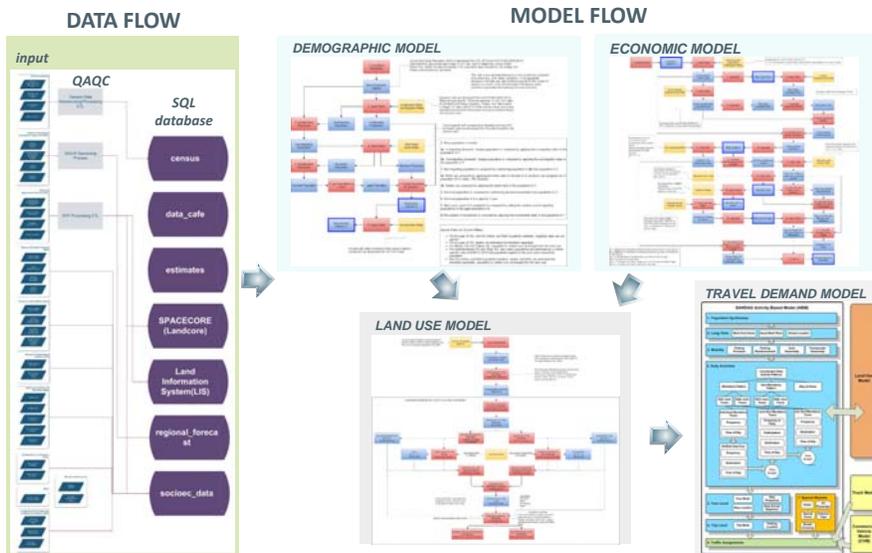
Document and diagram all interactions

► **RESULT**

Blueprint of current process flow to be used as the foundation for improving communication, processes, product quality, and transparency.



MODELING PROCESS FLOW



FOR ILLUSTRATIVE PURPOSE ONLY

4. IMPROVE DATA GOVERNANCE

▶ **OBJECTIVE**

Implement a data warehouse and management system to ensure availability, usability, integrity, and security of the SANDAG data assets

▶ **ACTION**

- Identify customer-supplier relationships
- Define owners/custodians of data assets
- Build a centralized data warehouse
- Formalize data QA, storage, archiving, and back-up procedures
- Develop escalation procedures to allow visibility into errors or problems

▶ **RESULT**

Industry standard, best-in-class data governance



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5. IMPROVE REVIEW AND OVERSIGHT

▶ **OBJECTIVE**

Validate SR14 population, housing, and economic forecasting model

▶ **ACTION**

Convene a panel of independent experts in economics, demographics, and land use to review the methods, data sources, and assumptions

▶ **RESULT**

Independent and objective assessment of the suitability of SR14 forecasting model for regional planning purposes



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6. ENHANCE TRANSPARENCY

▶ OBJECTIVE

Develop a set of agency methods and standards to ensure data and analytic transparency

▶ ACTION

Develop check points where disclosure of analysis are provided to ensure that others can see how models were developed, how data was processed, and what assumptions were made

▶ RESULT

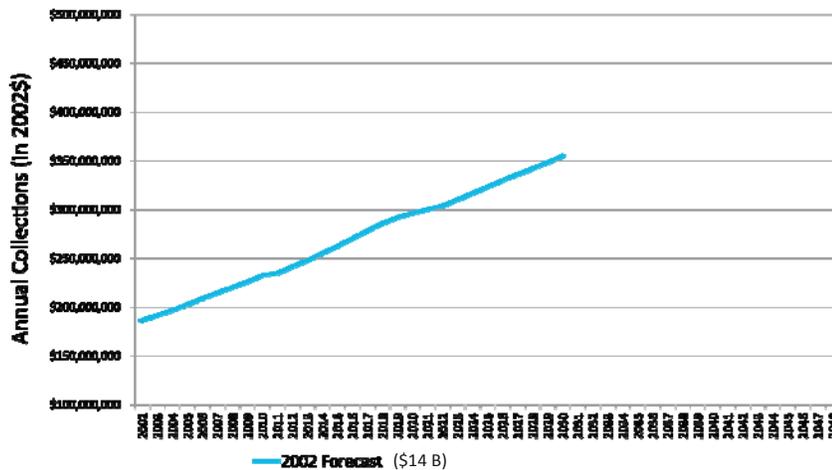
Provide clarity to the Board of Directors, ITOC, and the public regarding data and modeling products



15

TRANSPARENCY EXAMPLE:

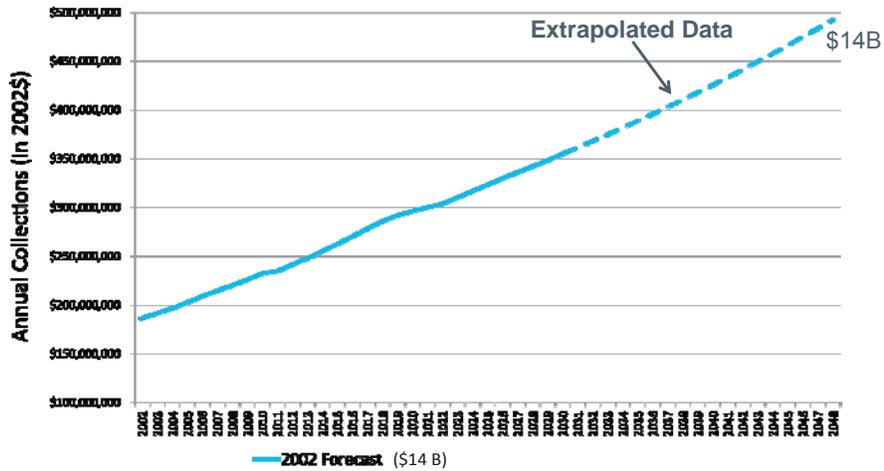
TransNet Revenue Forecasting (2002)



16

TRANSPARENCY EXAMPLE:

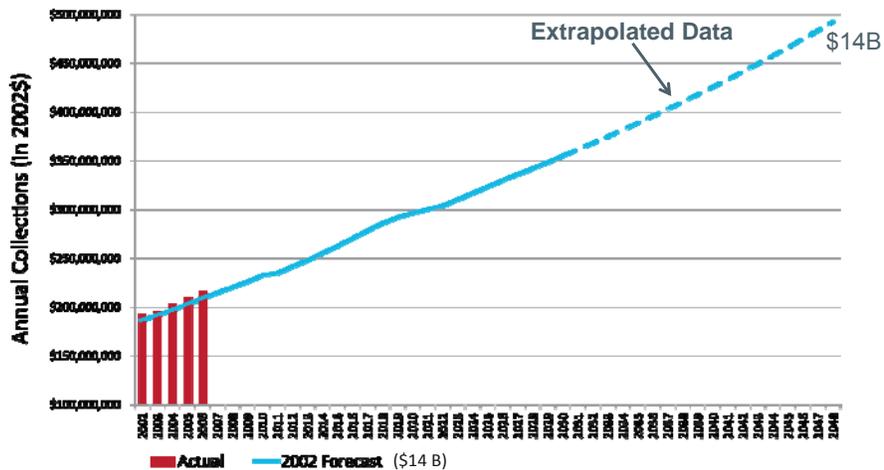
TransNet Revenue Forecasting



17

TRANSPARENCY EXAMPLE:

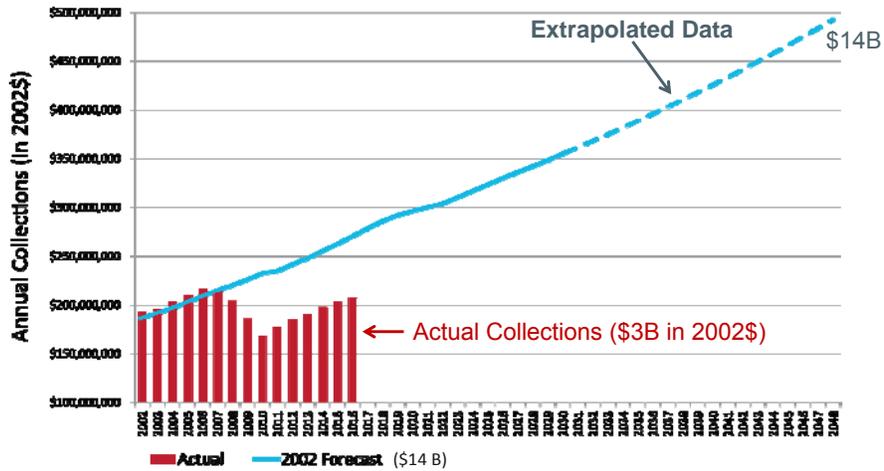
TransNet Revenue Forecasting



18

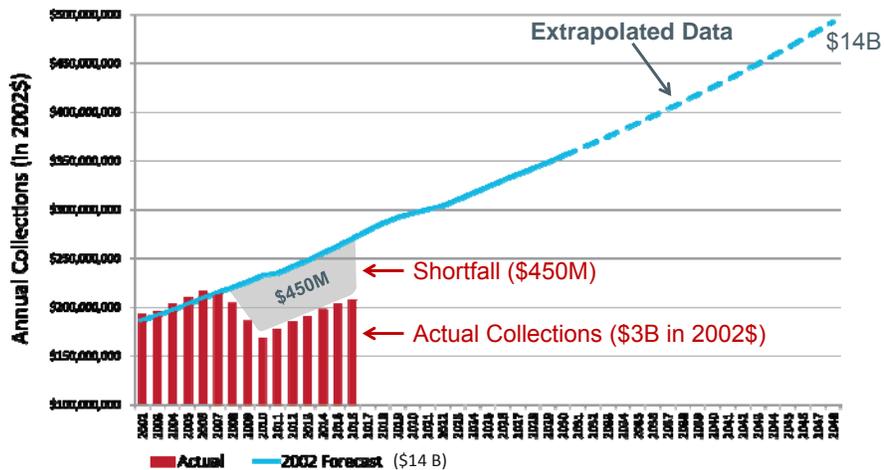
TRANSPARENCY EXAMPLE:

TransNet Revenue Forecasting



TRANSPARENCY EXAMPLE:

TransNet Revenue Forecasting



7. DEVELOP AND FORMALIZE PROCESSES

► OBJECTIVE

Improve alignment of resources on SANDAG work program priorities and formalize process to avoid potential errors

► ACTION

- Assess current work assignments and skillset alignment
- Evaluate current modeling and data procedures
- Implement a plan guided by industry best practices for:
 - data structures
 - data quality
 - database design and development
 - database governance

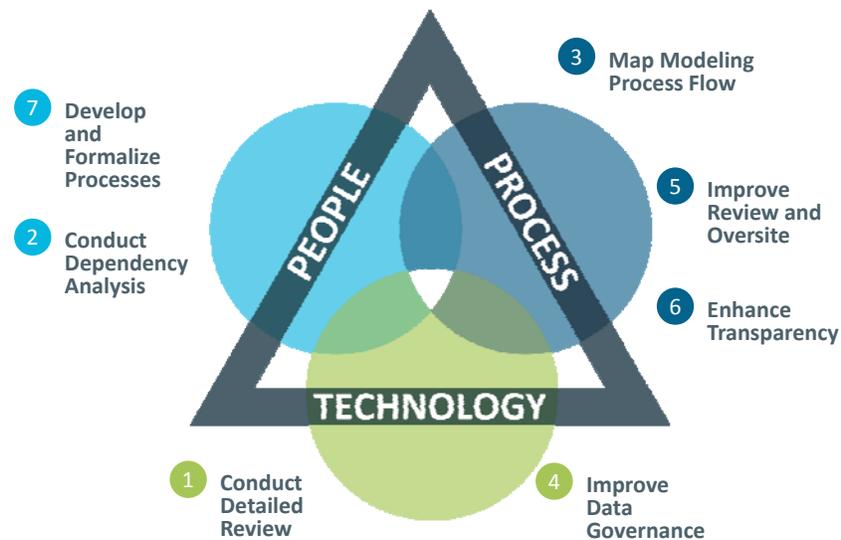
► RESULT

Implement processes to minimize single points of failure and move toward a more process-driven approach



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PROPOSED DATA AND MODELING WORK PLAN



24

RECOMMENDATION

The Board of Directors is asked to discuss the proposed data accuracy and modeling work plan described in this report and give direction to staff.





Environmental Mitigation Program Annual Status Report

SANDAG BOARD OF DIRECTORS | February 24, 2017



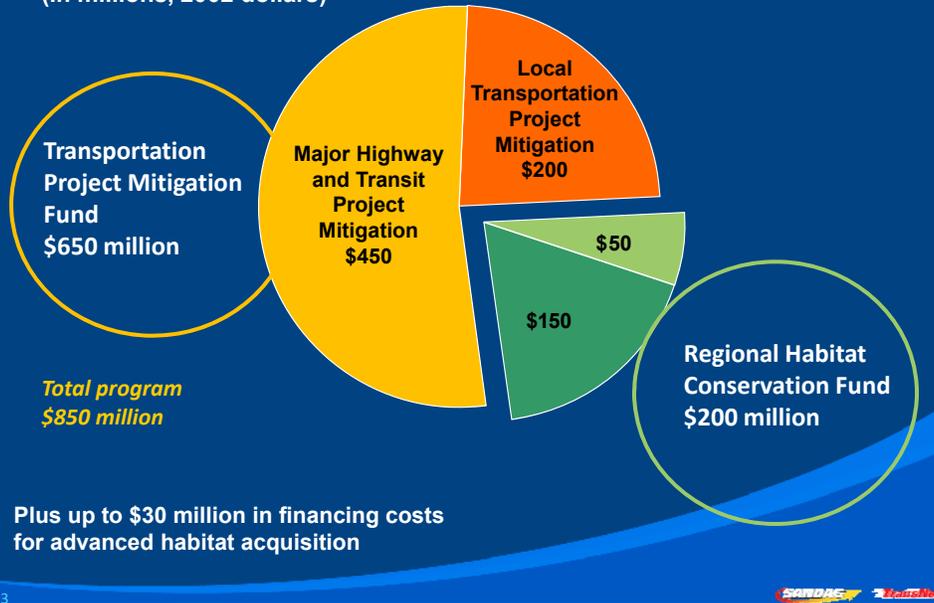
Large scale acquisition
and management



Reduced cost
Accelerated delivery
Implement habitat plans
↓ Listing of species

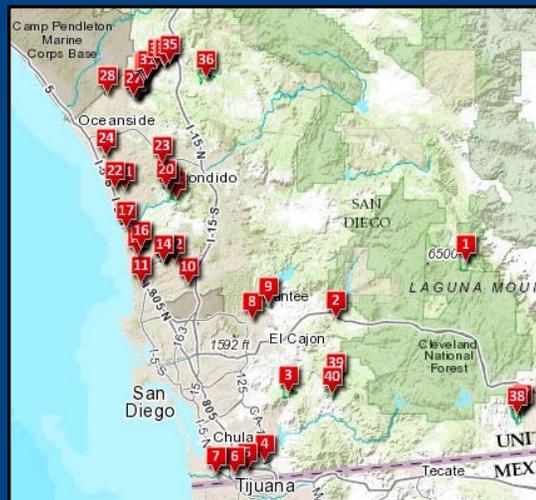
Environmental Mitigation Program Costs

(In millions, 2002 dollars)



Biological Mitigation Fund

- 39 properties
- 8,669 acres total
 - 5,310 acres *TransNet*
 - 3,359 acres matching
- \$157 million total
 - \$127 million *TransNet*
 - \$ 30 million leveraged
- 400 acres restoration



<http://www.keepsandiegomoving.com/Home.aspx>

Habitat Conservation Fund



Wildfire Recovery



Invasive Species Management



Wildlife Movement



Species Recovery



Habitat Restoration



Land Management Grants

5



What's Next?

Ten-year evaluation

- Determination of cost-saving/economic benefit
- Evaluation of the current status of the Preserve and how EMP funding has contributed
- Recommendation on revised MOA in February 2018

Quarterly updates on land management grants

6



To the SANDAG Board,

I would like to take the time provide you feedback concerning SANDAG as an organization. I am thoroughly impressed with the professionalism, enthusiasm, and dedication of the SANDAG individuals I have had the pleasure of interacting with over these past few weeks. I was visiting San Diego to explore opportunities to transform mobility on military installations. Despite no previous coordination, SANDAG went above and beyond my expectations in assisting me.

First, I was introduced to Jane Clough. She quickly pulled together a meeting with key individuals across the organization. She was encouraging and informative, even when responding while on vacation. Both Coleen Clementson and Anna Lowe were enthusiastic in exploring my ideas during the meeting and went out of their way to help me make the appropriate connections throughout the region, to include Navy Region Southwest, SDG&E, and the City of San Diego.

Additionally, I want to recognize Antoinette Meier and Marisa Mangan who also joined me in that initial meeting. Despite a tight timeline and busy schedules, they aggressively assisted me in meeting with Zipcar and Uber representatives in the area. They also graciously coordinated and hosted my meetings at SANDAG. Both in the meetings and throughout the week, they answered my questions, provided me data, and acted as a sounding board to my ideas. I am extremely grateful for their assistance.

I am thoroughly impressed with each of these ladies and the culture that you have created at SANDAG. It is obvious to me that SANDAG is a place where dedicated and intelligent individuals are passionate about their profession.

Sincerely,

Major Brandon Newell

(US Marine Corps)

Military Fellow

National Renewable Energy Laboratory

Office: 303-384-7307

Cell: 760-500-4499