



**BOARD OF DIRECTORS
JULY 27, 2018**

ACTION REQUESTED: APPROVE

**FIRST *TransNet* TEN-YEAR REVIEW:
PROPOSED LOOK-AHEAD IMPLEMENTATION PLAN**

File Number 1500100

Introduction

The *TransNet* Extension Ordinance (Ordinance) requires that the Board of Directors, acting as the San Diego County Regional Transportation Commission, conduct a Ten-Year Comprehensive Program Review (Ten-Year Review) of all *TransNet* projects and programs to evaluate and improve performance of the overall program.

Recommendation

The Transportation Committee recommends that the Board of Directors approve the proposed Look-Ahead Implementation Plan for the first *TransNet* Ten-Year Review.

Based on direction from the Board of Directors, the Ten-Year Review was initiated in summer 2017 and conducted as a two-step process. The first step, which entailed a “look-back” to assess the performance of the overall *TransNet* Program to date, concluded with a presentation to the Board of Directors at its January 26, 2018, meeting. The second step entails a “look-ahead,” using the results from the first step as a basis to consider potential revisions to the Expenditure Plan and other provisions of the Ordinance to improve performance of the *TransNet* Program going forward. The entire *TransNet* Ten-Year Review: Look-Back report and its SANDAG info Bulletin are available at sandag.org/transnet10yearreview.

A draft of the proposed Look-Ahead Implementation Plan was presented to the Transportation, Regional Planning, and Independent Taxpayer Oversight Committees in March 2018. Based on feedback from those meetings, the proposed Implementation Plan summarizes future considerations from the Look-Back report and highlights preliminary action items and a suggested near-term implementation timeline for each.

Highlights

The *TransNet* Ten-Year Comprehensive Program Review offers an opportunity to assess how the *TransNet* Program is performing and whether any course corrections or adjustments need to be made. Many of the recommendations from the Review can be addressed as part of ongoing work currently included within the FY 2019 Program Budget and overall work plan. Others; however, will require future policy and/or budget action by the Board of Directors, as outlined below, prior to implementation.

As part of the Ten-Year Look-Back Review, themes emerged for consideration by the Board of Directors. Given changes in the transportation landscape over the last ten years, the Ten-Year Review suggests continual monitoring to ensure the best mix of projects for achieving congestion relief in addition to revisiting the Local Street and Road Program requirements to provide flexibility in addressing current local jurisdiction needs.

Looking forward, recommendations from the Ten-Year Review place an emphasis on establishing performance metrics and suggest SANDAG enhance or expand its existing performance reporting practices, such as the annual State of the Commute reports.

Policy Considerations

Item No. A6: Consider the Local Streets and Roads 70/30 split of funds (where at least 70 percent of funds need to be used for congestion relief and up to 30 percent for maintenance) and whether to modify or eliminate specific requirements.

Item No. C4: Continually reevaluate the portfolio of projects remaining to be completed to ensure the *TransNet* Extension Ordinance listing of major highway and transit projects is the best mix compared to *TransNet* goals and whether additions, deletions, or other changes need to be made.

Budget Considerations

Item No. A5: Consider regionwide allocations from *TransNet* or other sources for enhanced performance tracking, analysis, and reporting at the regional level.

Item No. A7: Perform a more robust analysis of bike rider and pedestrian safety cause and effect to determine what can be done differently to get a better result.

Item No. C5: Establish a performance framework to better measure progress against Ordinance goals.

Attachment 1 organizes each of the recommendations according to whether it would be part of an existing work effort or would require further discussion and input from the Policy Advisory Committees and Board of Directors. In particular, based on comments received from Regional Planning and Transportation Committee members (Attachment 2), the Look-Ahead Implementation Plan includes a column to illustrate budget impacts for items requiring additional analysis prior to implementation which are highlighted in orange.

Analysis of options the Board of Directors could consider in implementing these actions is underway as part of the existing FY 2019 Program Budget and will be brought back for further review within the next six to nine months. It also is important to note that many of the considerations stemming from the Ten-Year Review also are included as recommendations under the FY 2018 *TransNet* Triennial Performance Audit and will therefore be addressed in conjunction with recommendations resulting from that audit report.

Next Steps

The next update on the overall implementation status of the Ten-Year Review Look-Ahead Implementation Plan is scheduled for ITOC, Regional Planning Committee, Transportation Committee,

and Board of Directors review in winter 2018/2019 with individual reports on specific items proposed to be brought back as necessary leading up to adoption of the 2019 Regional Plan in fall 2019.

KIM KAWADA
Chief Deputy Executive Director

Attachments: 1. First *TransNet* Ten-Year Review: Proposed Look-Ahead Implementation Plan Matrix as of July 2018
2. Revisions and Feedback Since Presentation of the Draft *TransNet* Ten-Year Review Proposed Implementation Plan

Key Staff Contact: Ariana zur Nieden, (619) 699-6961, ariana.zurnieden@sandag.org

**First *TransNet* Ten-Year Review:
Look-Ahead Implementation Plan Matrix
As of July 2018**

No.	Look-Back Considerations and Feedback	Initial Response/Status	Budget Impacts ¹
A.	General Ten-Year Review Implementation: Items listed in this category are proposed to be brought back to the Independent Taxpayer Oversight Committee, Policy Advisory Committees, and Board of Directors with further analysis and options for Board consideration [items not listed in priority order].		
A1	Kick off the Ten-Year Look-Ahead	Staff provided a presentation to the Transportation and Regional Planning Committees on March 2, 2018. COMPLETE	This item was accomplished through work already underway under the FY 2018 Program Budget.
A2	Prepare a three- to four-page summary of the Look-Back for wider distribution	A Ten-Year Review webpage has been created (www.sandag.org/TransNet10YearReview) where information on both the Look-Back and Look-Ahead components of the Ten-Year Review will be continually updated. The Look-Back Summary was distributed in April 2018 to a wider audience through an infographic reader-friendly handout, article in the SANDAG Region e-newsletter, and other media. COMPLETE	This item was accomplished through work already underway under the FY 2018 Program Budget.
A3	Consider conducting Ten-Year Reviews more frequently	This request could require an Ordinance amendment. An alternative could be to provide periodic check-ins with the Board of Directors to set the framework and process in motion with an eye toward the next Ten-Year Review (FY 2029). As part of this Ten-Year Review Implementation Plan, staff is proposing to provide regular updates (approximately twice a year) on the status of implementation of the Ten-Year Review action items. In addition, the ITOC conducts <i>TransNet</i> Triennial Performance Audits every three years. The results of these audits are communicated to the ITOC, Transportation Committee, and Board, and also serve to provide recommendations for improvements to the <i>TransNet</i> program.	The first Ten-Year Review was conducted at a cost of approximately \$200,000. Triennial performance audits are conducted every three years. The cost of the most recent performance audit was approximately \$270,000. Conducting a Ten-Year Review more regularly would essentially duplicate the existing required triennial performance audit process and cost; therefore, staff is proposing to provide regular updates on the status of implementation of the Ten-Year Review action items, without additional budget impacts, instead of conducting ten-year reviews more frequently.

¹ Budget impacts for items shown in orange would require additional funding and resources to implement. The cost, time, and resources associated with completing actions that will have additional budget impacts will be analyzed and brought back for further review. The Board's approval of this Ten-Year Review Implementation Plan does not constitute approval to begin implementing those items; the analysis would begin and would be brought back with options and staff recommendation for implementation. Separate Board action would be requested before implementation could begin.

**First *TransNet* Ten-Year Review:
Proposed Look-Ahead Implementation Plan Matrix**

No.	Look-Back Considerations and Feedback	Initial Response/Status	Budget Impacts ¹
A4	Consider increasing the level of funding made available to the <i>TransNet</i> Senior Mini-Grant program	This request will be addressed under the Specialized Transportation Strategic Plan. The Specialized Transportation Strategy includes analysis of this request among other areas. Work began in fall 2017 with the consultant selection. A peer best practices study and analysis of existing local inventory, gaps, and needs was conducted in the winter of 2018. A one-day Peer Review Workshop was held in May of 2018 to gather feedback from experts at six transit agencies across the U.S. Draft strategies will be presented to the Transportation Committee in fall 2018, with the final strategy being presented to the Board in winter 2018/2019.	This work is already underway as part of existing the FY 2019 Program Budget.
A5	<p>Consider: Additional accountability and reporting from <i>TransNet</i> Local Streets and Roads program.</p> <p>Implementation of a tool to help local agencies better track the use of <i>TransNet</i> funds in support of alternate modes.</p> <p>Regionwide allocations from <i>TransNet</i> or other sources for performance tracking and reporting for <i>TransNet</i> Local Streets and Roads and Environmental Mitigation Program; and to comply with state and federal performance reporting requirements.</p> <p>Create a dashboard to collect and report performance information from local jurisdictions.</p>	<p>This item would require input from local agencies and other stakeholders, research into best practices, data collection, and reporting systems available, staff, and funding resources.</p> <p>At its May 2018 meeting, the Cities/County Transportation Advisory Committee (CTAC) established an ad-hoc working group to analyze options under item no. A6 below. It is anticipated the CTAC ad-hoc working group will begin discussing considerations under action item no. A5 as well. Since the FY 2018 <i>TransNet</i> Triennial Performance Audit includes recommendations in this area as well, item nos. A5 and A6 will be considered in conjunction with implementation of recommendations under that performance audit.</p> <p>The <i>TransNet</i> Dashboard available at KeepSanDiegoMoving.com also could be used as a platform for reporting and monitoring this type of information.</p>	The cost, time, and resources associated with completing this proposed action are being analyzed and proposed to be brought back for further review. The Board's approval of this Ten-Year Review Implementation Plan does not constitute approval to begin implementing item no. A5. Implementation of action item nos. A5 and A6 would require separate Board action before implementation could begin. Analysis of options for the Board's consideration is underway under the existing FY 2019 Program Budget.

**First *TransNet* Ten-Year Review:
Proposed Look-Ahead Implementation Plan Matrix**

No.	Look-Back Considerations and Feedback	Initial Response/Status	Budget Impacts ¹
A6	<p>Consider elimination of 70/30 congestion relief and maintenance ratio for <i>TransNet</i> Local Streets and Roads program.</p> <p>Modify 70/30 split definition or change the 1-inch requirement for pavement overlays.</p>	<p>Elimination of the ratio would require an Ordinance amendment; modifying the definition would require an amendment to Board Policy No. 031: <i>TransNet</i> Ordinance and Expenditure Plan Rules. Preliminary discussions with the CTAC ad-hoc working group mentioned in item no. A5 above began in May 2018. Since the FY 2018 <i>TransNet</i> Triennial Performance Audit includes recommendations in this area as well, item nos. A5 and A6 will be considered in conjunction with implementation of recommendations under that performance audit.</p>	<p>The Board’s approval of this Ten-Year Review Implementation Plan does not constitute approval to implement item no. A6. Implementation of item no. A6 would require separate Board action before implementation could begin. Analysis of options for the Board’s consideration is underway as part of the existing FY 2019 Program Budget. No additional budget impacts at this time.</p>
A7	<p>Consider performing a more robust analysis of bike rider and pedestrian safety cause and effect to ascertain what can be done differently to get a better result.</p>	<p>In conjunction with statewide targets for reducing the number of non-motorized fatalities and serious injuries established in response to federal legislation, SANDAG will be monitoring the annual number of non-motorized fatalities and serious injuries. It is anticipated that 2018 data will be analyzed in December 2019 to determine if the 2018 statewide safety targets have been met.</p> <p>Since the FY 2018 <i>TransNet</i> Triennial Performance Audit includes recommendations in this area as well, this item will be considered in conjunction with implementation of recommendations under that performance audit.</p>	<p>SANDAG monitoring of the annual number of non-motorized fatalities and serious injuries in response to federal legislation is being accomplished under work underway as part of the FY 2019 Program Budget.</p> <p>However, the cost, time, and resources associated with analyzing bike rider and pedestrian safety cause and effect to ascertain what can be done differently to get a better result will be brought back for further review.</p>
A8	<p>Consider investigating the price demand elasticity between fare levels and ridership.</p>	<p>This request will be addressed as part of the upcoming Regional Fare Study. The Regional Fare Study work started in 2016 with interviews of staff at MTS, NCTD, and SANDAG, customer surveys, and a peer review of nine transit agencies. Draft reports were finished in late 2017, and work to develop and model the revenue and ridership impacts of various alternatives of fare changes began. This work is still being conducted, as both transit agencies work to recognize ways to simplify the regional fare structure while protecting the interests of their respective riders. During this time, the price demand</p>	<p>This work is underway as part of the FY 2019 Program Budget.</p>

**First *TransNet* Ten-Year Review:
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No.	Look-Back Considerations and Feedback	Initial Response/Status	Budget Impacts ¹
		elasticity between fare levels and ridership is being researched and modeled to understand if ridership can grow with lower fares. Preliminary fare change recommendations will be presented to the Boards of the transit agencies and the SANDAG Transportation Committee in winter 2018/2019, with a preferred alternative recommendation being presented in the early months of 2019.	
A9	Consider developing projection of future tax receipts allocable by the <i>TransNet</i> Ordinance percentage to Major Projects and how those projected receipts will be spent for debt service compared to new projects.	The ITOC reviews regular reports on quarterly financials and developments in the financial markets, and this information is now provided on a quarterly basis. COMPLETE	This item was accomplished under work included in the FY 2018 Program Budget.
A10	Consider impact of potential changes to sales taxes over time.	SANDAG is currently working with outside vendors to build a San Diego-specific model that would replace the most recent moving away from the “consensus” sales tax revenue forecast. Forecasts of tax revenues going forward will feature mid-point, high, low, and recession scenarios. In addition, SANDAG tools will allow for the analysis of changes to tax law (such as the recent Supreme Court decision of South Dakota vs. Wayfair ²), and other effects. The new model will be simpler than previous estimates and is anticipated to be complete by the end of calendar year 2018.	This work is underway as part of the FY 2019 Program Budget.
A11	Monitor EMP Local Mitigation to maximize effective use of funds.	The Memorandum of Agreement (MOA) between SANDAG and environmental agencies expired in FY 2018. Presentations to various committees and the Board on the new draft MOA will include discussion of this item leading up to adoption of the new MOA. Changes to the MOA are being discussed with the signatories, EMP Working Group, ITOC, Transportation and	This work is underway as part of the FY 2019 Program Budget.

² On June 21, 2018, the Supreme Court ruled that internet retailers can be required to collect sales taxes even in states where they have no physical presence.

**First TransNet Ten-Year Review:
Proposed Look-Ahead Implementation Plan Matrix**

No.	Look-Back Considerations and Feedback	Initial Response/Status	Budget Impacts ¹
		Regional Planning Committees. An updated MOA will be brought for Board consideration in fall/winter 2018.	
A12	For the Look-Back report, add qualifier to provide clarification on when the Bike EAP started to provide context on miles of bikeway constructed and underway.	This has been clarified and is reflected in the Ten-Year Review report posted on the Ten-Year Review webpage. www.sandag.org/TransNet10YearReview COMPLETE	This item was accomplished under work included in the FY 2018 Program Budget.
B. State of the Commute Reports: The State of the Commute (SOC) report includes factors such as level of service measurements, throughput in major travel corridors, and travel time comparisons to be used as a tool in the Regional Plan development process. Items in this category would be addressed through incorporation into future State of the Commute reports. [items not listed in priority order]			
B1	Consider better evaluating major transit commuting services and how those have changed in order to assist the public in understanding how commute times have improved.	This area to be further developed as part of future SOC reports in addition to deeper analysis of vehicular commute identified in the following item.	This work is underway as part of the FY 2019 Program Budget.
B2	Consider performing a deeper analysis of average vehicular commute time to enhance future decision-making.	This area will be further developed as part of future SOC reports relative to population and employment growth to provide a more meaningful assessment.	This work is underway as part of the FY 2019 Program Budget.
C. 2019 Regional Plan: Items in this category will be addressed as part of the 2019 Regional Plan activities currently taking place and leading up to final adoption scheduled for the Board of Directors in fall 2019. [items not listed in priority order]			
C1	Consider including an emphasis on VMT reduction.	This item was added as one of the final Performance Measures approved by the Board of Directors in March 2018. It will be considered in the transportation network development process the 2019 Regional Plan (anticipated to be considered in fall 2018).	This work is underway as part of the FY 2019 Program Budget.

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C2	Consider investment for technology to manage transportation network by optimizing capacity-building investments already made and use existing infrastructure to leverage under-used capacity across modes of transportation.	The Emerging Technologies White Paper was finalized in spring 2018 for use in the development of the 2019 Regional Plan. The white paper will help inform the 2019 Regional Plan and the region's future transportation network and investments. The network development process will continue through the fall 2018.	This work is underway as part of the FY 2019 Program Budget.
C3	Consider potential safety improvements when prioritizing projects as part of the transportation network development process.	Safety performance measures are included in the set of metrics for the 2019 Regional Plan. Safety metrics will be considered in the transportation network development process as part of the 2019 Regional Plan (anticipated to be considered in summer/fall 2018). Programming of safety-related projects also are being tracked in the 2018 RTIP via the ProjectTrack project submittal tool. SANDAG, in collaboration with Caltrans and other MPOs, has established statewide 2018 safety targets for fatalities and serious injuries.	This work is underway as part of the FY 2109 Program Budget.
C4	Continually reevaluate portfolio of projects remaining to be completed to ensure these are the best mix compared to SANDAG and <i>TransNet</i> Program goals.	This will be discussed as part of the 2019 Regional Plan network development process scheduled to continue through summer/fall 2018.	This work is underway as part of existing FY 2019 Program Budget.
C5	<p>Aside from the projects identified specifically in the Ordinance for completion, the goals established at the outset of the program were neither sufficiently robust nor measurable as to enable a more impactful Ten-Year Review.</p> <p>For the next Ten-Year Review (FY 2029), consider comparing progress against ourselves versus compared to other regions and evaluate progress based on funds spent.</p>	<p>The Policy Advisory Committees and Board will be asked to provide input on more measurable goals and targets that would inform the next Ten-Year Review (FY 2029 Ten-Year Review).</p> <p>The FY 2018 <i>TransNet</i> Triennial Performance Audit also includes a recommendation in this area. In addition, a performance monitoring report for the 2015 Regional Plan is scheduled to be completed in winter 2018/2019 and could inform future goals/targets based on trends from that performance monitoring report.</p>	<p>The 2015 Regional Plan Performance Monitoring report is being accomplished under work already underway as part of the FY 2019 Program Budget.</p> <p>Depending on the results of the performance monitoring report and how that may ultimately inform potential future goals and targets, the cost, time, and resources for this area may need to be brought back for further review.</p>

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No.	Look-Back Considerations and Feedback	Initial Response/Status	Budget Impacts ¹
C6	Consider analyzing whether transit investment increased the percentage of commuters using transit or does this increase in ridership just reflect more commuters across all modes to understand whether the percentage of total commute traffic by transit increased.	This area will be addressed as part of the performance monitoring report to be conducted in 2018 for the 2015 Regional Plan to correlate ridership increase to overall increase in travel to determine whether transit investments have increased the percentage or share of commuters using transit.	This work is underway as part of the FY 2019 Program Budget.

**Revisions and Feedback Since Presentation of the
Draft *TransNet* Ten-Year Review Proposed Implementation Plan**

A draft of the proposed Look-Ahead Implementation Plan was presented to the Transportation, Regional Planning, and Independent Taxpayer Oversight Committees in March 2018. Feedback from those meetings is highlighted below.

Transportation Committee members expressed support for the following:

Item No. A5: Consider regionwide allocations from *TransNet* or other sources for enhanced performance tracking, analysis, and reporting at the regional level.

Item No. A7: Perform a more robust analysis of bike rider and pedestrian safety cause and effect to determine what can be done differently to get a better result.

Item No. C5: Establish performance framework to better measure progress against Ordinance goals.

However, they also requested a more detailed plan of action to identify cost and resource needs for implementation. Committee members also supported Item No. A6, which proposes elimination or revision of the 70/30 congestion relief and maintenance ratio for *TransNet* Local Streets and Roads program and/or modification to the categorical definitions of the typical types of eligible facilities under each category.

The cost, time, and resources associated with completing Item Nos. A5, A7, and C5 is being analyzed and will be brought back for further review. In addition, members asked how goals would be measured across local jurisdictions given that each has different needs. This comment also would be addressed as part of staff's analysis for future consideration.

Transportation Committee members requested that when evaluating the mix of remaining *TransNet* projects to be completed, staff take a coordinated approach in reevaluating the portfolio. In other words, should a project be proposed to be removed or added to the *TransNet* Extension Ordinance, the projects should be considered with the overall transportation network scenario development process currently underway for the 2019 Regional Plan. In addition, members discussed the importance of funding what already has been committed to, citing examples where *TransNet* has funded New Major Corridor Transit capital improvements and also would fund transit operations for those new services.

Regional Planning Committee members stated that for Item No. C4, which proposes to continually reevaluate the portfolio of projects remaining to be completed to ensure these are the best mix, any changes to the mix of remaining projects should be considered within modes such that highway projects would be evaluated against other highway projects and similarly, the remaining transit projects would be evaluated against proposed transit projects within the transit mode. These requests will be addressed as part of the 2019 Regional Plan network development process scheduled to continue through summer/fall 2018 as shown on Attachment 1.

For Item No. A8, which requests consideration of the price demand elasticity between fare levels and ridership, clarification was made that the Regional Fare Study underway is assessing senior and disabled fare discount disparities in addition to investigating the price demand elasticity between fare levels and ridership. Preliminary fare change recommendations will be presented to the Boards of the transit agencies and the SANDAG Transportation Committee in late 2018, with a preferred alternative recommendation being presented in the early months of 2019 as shown in Attachment 1.

For Item Nos. B1 and B2 listed below, Regional Planning Committee members requested that an emphasis be placed on efficiency and metrics to determine how well ridership needs are being met.

- B1: Consider better evaluating major transit commuting services and how those have changed in order to assist the public in understanding how commute times have improved.
- B2: Consider performing a deeper analysis of average vehicular commute time to enhance future decision-making.

Item nos. B1 and B2 above will be addressed and further developed as part of future State of the Commute reports.

In addition, a statement cautioning the use of Vehicle Miles Traveled as a measurement also was expressed at the Regional Planning Committee meeting. This item was added as one of the final Performance Measures approved by the Board of Directors in March 2018. It will be considered in the transportation network development process for the 2019 Regional Plan (anticipated to be considered in summer/fall 2018).

ITOC members suggested that because some future considerations from the Ten-Year Review and recommendations from the FY 2018 *TransNet* Triennial Performance Audit are related, implementation of items under both efforts be considered together. This is being addressed by providing regular, concurrent updates on the implementation status of both the Ten-Year Review and FY 2018 *TransNet* Triennial Performance Audit to the Regional Planning and Transportation Committees, ITOC, and Board of Directors. ITOC members also asked about progress on implementation of the modifications to the 70/30 congestion relief and maintenance ratio. Preliminary discussions with the Cities/County Transportation Advisory Committee Ad-Hoc Working Group began in May 2018 and the status of implementation is shown in Attachment 1.

ITOC members also asked how a determination would be made as to whether the more resource-intensive items may be too costly or require too much effort thereby exceeding the implementation benefit. To address this question, analysis of options for the Board of Directors' consideration is being accomplished through work already underway as part of the existing FY 2019 Program Budget. The costs, resources, benefits, and challenges associated with implementation will be brought back for further review.