

April 15, 2020

## Implementation of FY 2018 *TransNet* Triennial Performance Audit Recommendations

### Overview

The [FY 2018 \*TransNet\* Triennial Performance Audit](#) includes 26 recommendations to improve the efficiency, effectiveness, and accountability of the *TransNet* program to the taxpayers of the San Diego region. Each recommendation is categorized into four rankings (critical, high, medium, and low priority) based on the impact to the *TransNet* program, SANDAG responsibilities, and critical path activities.

### Key Considerations

Attachment 1 includes a summary of the progress made implementing recommendations and Attachment 2 provides detailed progress for all 26 recommendations.

### Next Steps

Staff will continue working to implement audit recommendations and will return to the ITOC to provide bi-annual progress updates and request additional direction on implementation of specific audit recommendations, as necessary.

### **Jose Nuncio, *TransNet* Department Director**

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Attachment: 

1. Summary of Progress Made Implementing Audit Recommendations (March 2020)
2. Update on Implementation of Recommendations as of March 2020

### Action: **Information**

An update on implementation of the FY 2018 *TransNet* Triennial Performance Audit recommendations will be presented.

### **Fiscal Impact:**

Efforts to implement the FY 2018 *TransNet* Triennial Performance Audit recommendations are funded through Overall Work Program Project No. 1500100, *TransNet* Financial Management in the FY 2020 Program Budget.

### **Schedule/Scope Impact:**

The ITOC is scheduled to begin its fifth triennial performance audit in late spring 2020.

**FY 2018 *TransNet* Triennial Performance Audit  
Implementation Status as of March 2020**

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<b>Chapter 1: <i>TransNet</i> Financing</b>						
1. Enhance the Plan of Finance (POF) process and information provided to decision makers by implementing the following: <ul style="list-style-type: none"> <li>a. Leveraging historical data and previous POFs to provide additional information regarding estimates of future revenue sources, by comparing projections against historical data as well as comparing estimates from previous POFs against actual funding secured.</li> </ul>	21 – 24	High	This process will be more formally incorporated as part of the <i>TransNet</i> Major Corridors POF annual updates. Staff Lead - Dawn Vettese/Ariana zur Nieden (Finance) Team – Stephanie Guichard ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)	A <i>TransNet</i> program update is scheduled for presentation to the Board of Directors and ITOC in February and March 2019, respectively, and includes a comparison of future revenue projections for the two most recent POFs. Staff continues working to incorporate additional historical data such as actual funding secured.	A <i>TransNet</i> program update was presented to Independent Taxpayer Oversight Committee (ITOC) in September and to the Board in October 2019. It included a comparison of future revenue projections for the two most recent POFs. Staff continues working to incorporate additional historical data such as actual funding secured.	Staff continues working to incorporate additional historical data such as actual funding secured.
<ul style="list-style-type: none"> <li>b. Continuing efforts to increase the transparency of sales tax revenue forecasts by showing a range</li> </ul>	29 – 33	High	SANDAG staff and economic consultants are working to create sales tax forecasts that incorporate ranges and	Sales tax revenue forecasts continue to be updated regularly with the latest information. SANDAG staff are working on updates based on updated third	SANDAG staff are working on updating the revenue forecast with new revenue information from the CDTFA and third party forecast updates.	Sales tax revenues continue to be updated regularly to take into account most recent economic conditions. The update was presented to ITOC/TC and the Board in

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>of possible values based on a true confidence interval. SANDAG staff should work with the ITOC and the Board to select a confidence level or levels that best communicates the range of possible values projected by the forecast including best case, worse case, or reasonably expected scenarios.</p>			<p>scenarios and will present this work to ITOC for input.  Staff Lead – Stephanie Guichard (Planning and Innovation)  Team - Dawn Vettese/Ariana zur Nieden  ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)</p>	<p>party forecasts and Wayfair implementation guidance from the California Department of Tax and Fee Administration (CDTFA). The update is anticipated to be available for presentation in spring 2019.</p>	<p>An alternative recession scenario was considered to highlight the risks a U.S. recession would create for <i>TransNet</i> revenues.</p>	<p>February/March 2020. Scenario analysis were run to take into account the impact of the new DOF population forecast.</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>c. Developing a process or policy for more frequent reporting—such as quarterly—to oversight committees on cost increases and include factors used to estimate costs, project stage or milestone used as basis for cost, and reasons for cost increase such as inflation, materials spike, or scope changes using Dashboard data and other reliable data sources.</p>	29 – 33	High	<p>Staff presented information on cost estimating practices and methods used to communicate cost changes to the ITOC, Transportation Committee, and Board in April/May 2018 for input and these reports will continue going forward.</p> <p>Staff Lead - Jim Linthicum (Capital Programs and Regional Services)</p> <p>Team - Dawn Vettese</p> <p>ITOC Leads – Stewart Halpern, Dick Vortmann</p>	<p>Status reports on each major corridor are presented to the Transportation Committee on a quarterly basis. In addition, the <i>TransNet</i> Project Office presents a quarterly report to ITOC summarizing the completion of project milestone accomplishments, monthly/annual program expenditures, and trends in construction cost and number of bidders.</p> <p><input checked="" type="checkbox"/> Complete</p>	<input checked="" type="checkbox"/> Complete	
<p>2. Ensure the “Plan of Excellence” and its 7-point Data Accuracy and Modeling Work Plan are implemented to reduce the potential for data errors and develop formal procedures covering version control,</p>	27 – 28	<b>Critical</b>	<p>Significant progress has been made on the 7-Point Data Accuracy and Modeling Work Plan and ongoing efforts have been incorporated into the agency’s Plan of Excellence with</p>	<p>Over the past year, staff has successfully created, implemented, and formalized policies and procedures that ensure the accuracy, transparency, and reliability of the data SANDAG produces and the Board uses to make</p>	<input checked="" type="checkbox"/> Complete	

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<p>periodic archival of dynamic or continuously updated data and documents, data validation and accuracy, and release and reporting of data. The status of the implementation of the 7-point plan and new procedures for data authentication should be documented and reported back to decision makers.</p>			<p>progress tracked there. As part of the 7-Point Plan, staff determined that errors were limited to income variables (Point 1), have conducted a dependency analysis to determine where the income variables were used and correct as needed (Point 2), developed a comprehensive flow diagram showing interactions between data and modeling components (Point 3), surveyed agency staff to understand and document how data are disseminated and used (Point 4), convened a nationwide expert panel for recommendations for regional forecasting (Point 5), developed processes and standards to communicate</p>	<p>decisions regarding the future of the San Diego region. As part of these efforts, staff has completed a thorough review of the models, documented the impact of previous errors, and mapped process flow to improve future efforts. In addition, the Data, Analytics, and Modeling Department has been reorganized, creating teams that are now working more collaboratively than ever but have clearly delineated functions that include acquiring data, running the models, and data dissemination. At the same time, necessary skill sets have been added with a Data Base Administrator, the creation of an Office of Quality Assurance, and staff focused on project management. Closely related, two new processes have been formalized, both of which improve the availability and accuracy of the data produced and used by SANDAG. First,</p>		

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
			<p>data, methods, and analysis in a clear and transparent manner (Point 6), and (Point 7) realigned people, processes, and technology to support adequate staffing and expertise.</p> <p>Staff Lead - Ray Major (Data Science and Analytics)</p> <p>ITOC Leads – Stewart Halpern, Dick Vortmann</p>	<p>staff have created an electronic data request system that enables tracking what data requests the Data, Analytics, and Modeling Department is being asked to fulfill. This documentation helps to ensure the needs of stakeholders are being met and track how data is being used. Since September 2017, the Department has received over 250 data requests, with about 4 in 5 of these from entities outside SANDAG. Second, a formalized Peer Review Process has been created to ensure that data, analyses, reports, and other information are valid, reliable, and easy to understand. Since the first Peer Review Process (PRP) was conducted in March 2017, a total of 48 different topics have been peer reviewed, with half initiated by departments other than Data, Analytics, and Modeling, demonstrating its usefulness to the agency as a whole.</p>		

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
				<p>Finally, SANDAG has implemented the development of a standards-based data governance program to ensure that all of the agency's data are managed properly according to best practice. This is an ongoing improvement process and SANDAG remains committed to undertaking enhancement initiatives that are responsive to the needs of the Board, agency stakeholders, and members of the public.</p> <p><input checked="" type="checkbox"/> Complete</p>		
<p>3. Regularly track and report on the <i>TransNet</i> Program's financial capacity to complete projects and programs by implementing the following:</p> <ul style="list-style-type: none"> <li>a. Establishing a formal structured protocol to review funding sources and uses occurring in the last 10</li> </ul>	35 – 36	High	<p>This process will be more formally incorporated as part of the <i>TransNet</i> Major Corridors POF, in coordination with the adopted Regional Plan.</p> <p>Staff Lead - Susan Huntington (Finance) Team – Jim Linthicum</p>	<p>Cost estimates for all remaining Major Corridors projects as well as revenue assumptions were updated in 2018 as part of the development of the Regional Plan. Using these updated cost and revenue assumptions, the POF was updated to determine the financial feasibility of completing</p>	<p>Staff provided a <i>TransNet</i> program Update to the Board of Directors in July 2019 and ITOC in September 2019 providing costs and anticipated revenues associated with completion of the <i>TransNet</i> Major Corridors Program. Additional detail regarding anticipated funding in the near-mid-, and long-</p>	<p>Anticipated revenues to support completion of the <i>TransNet</i> Expenditure Plan are currently being contemplated in coordination with the development of the 2021 Regional Plan.</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>to 20 years of the <i>TransNet</i> Extension Program to identify potential capacity and revenue constraints that would impact the ability to complete the major corridor projects by 2048 and assess options such as delaying projects, eliminating projects, or reducing scope as warranted. This capacity assessment should be formally revisited on a regular basis, so that decision makers are aware of periods in which the agency may have to consider delaying</p>			<p>ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)</p>	<p>all the remaining projects by 2048.</p> <p>Staff provided the <i>TransNet</i> Program Update to the Board of Directors in February 2019 and is scheduled to present to ITOC in March 2019, noting the increase in the leveraging ratio required to complete all program projects by 2048. As part of the Board report, staff has consolidated remaining costs and estimated revenues onto one table, organized to clearly communicate ranges, the level of certainty of revenue estimates, and required leveraging ratio going forward. Staff will continue to provide regular/annual updates of this information, in this format, so that decision makers can assess program capacity. The next POF update will occur in early 2020, or in alignment with updates to the Regional Plan.</p>	<p>term also was included in that report.</p>	

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
projects or reducing project scope as needed.						
<p>b. Monitoring <i>TransNet</i> revenues and debt service obligations against needed growth projections to better ensure that revenues are sufficient to meet debt service, as well as regularly reporting on results and options to oversight committees that could include restructuring, refinancing, or retiring existing debt or delaying the transition to a pay-as-you-go approach for financing capital projects.</p>	37 – 40	High	<p>SANDAG Finance and <i>TransNet</i> staff will continue to communicate information on a regular basis, including cash flow needs, changes to project timing, and sales tax projections; meet and discuss with the SANDAG financial advisor any potential changes to needs; meet with investment bankers to understand instruments currently on the market that could fit SANDAG needs; and include all relevant information at regular intervals or on an as-needed basis at ITOC meetings. Staff Lead - André Douzdjian (Finance)</p>	<p>Staff issued a Request for Proposals (RFPs) for investment banking services and for bond and disclosure counsel for the Grant Anticipation Notes (GANS) financing based on the most recent POF and updated review of cash flows, which demonstrated proceeds from the GANS issuance for the Mid-Coast Corridor project would be needed by Q1 FY 2020. Subsequently, based on RFP results, staff hired Wells Fargo as the senior lead banker, with JP Morgan, Citigroup and Goldman Sachs as co-managers for the GANS issuance.</p> <p>Staff also started negotiations on the renewal of the Standby Bond Purchase Agreement (SBPA) for the Series A&amp;B of the 2008 Variable Rate Demand Bonds (VRDBs), with JP Morgan which was set to</p>	<p>The GANS issuance was very well received by the investment community and was ten times oversubscribed. SANDAG was able to lower the yield based on the high demand and ended up closing the deal in the Q1 of FY 2020 at an all-in-cost of 1.91%.</p> <p>Interest rates have come down significantly since the beginning of 2019 and there is the opportunity to refund some of the Senior Lien Debt. Staff issued a Request for Proposals (RFPs) for investment banking services and for bond and disclosure counsel for the refunding on a taxable basis which is anticipated to close in Q2 of FY 2020. Depending on market conditions at the time of issuance there is the potential to save up to \$100M in cash flows. In addition, staff will</p>	<p>The Commission successfully refinanced a portion of its 2012 Series A bonds and 2014 Series A bonds at lower interest rates, providing significant savings to taxpayers. The transaction took advantage of historically low taxable interest rates to reduce debt service. The Commission priced the 2019 Series A Bonds with a total principal amount of \$442.6 million. The refinancing pays off certain 2012 Series A and 2014 Series A bonds with the lower cost 2019 Series A Bonds, reducing future debt service payments by approximately \$93 million (or \$63 million on a present value basis) and saving money for the region over the next 29 years.</p>

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			<p>Team – Dawn Vettese/Ariana zur Nieden</p> <p>ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)</p>	<p>expire in Q3 FY 2019. Norton Fulbright was hired as bond counsel and Orrick as bond disclosure counsel. A kick-off meeting of the entire assembled GANS team was held at SANDAG offices in the early part of Q3 FY 2019. There were no other notable changes to the debt program.</p>	<p>potentially issue new money up to \$100M for the <i>TransNet</i> Regional Bikeway Early Action Program (Bike EAP), which is supported by the <i>TransNet</i> Bicycle, Pedestrian and Neighborhood Safety Program (per the Ordinance, 2% off the top supports the BPNS program).</p>	
<p>c. Identifying methods to assess options, if needed, to delay, eliminate, or reduce scope of projects and whether the method would follow the same priority process used in the San Diego Forward: The Regional Plan or a different process would be used.</p>	<p>40 – 41</p>	<p>High</p>	<p>As part of the 2019 Regional Plan update all projects, including <i>TransNet</i> projects, will be evaluated.</p> <p>Staff Lead - Phil Trom (Planning and Innovation)</p> <p>Team – Tim DeWitt, Susan Huntington</p> <p>ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)</p>	<p>The SANDAG Board approved moving forward with a new vision for the San Diego Forward: The Regional Plan, which is anticipated to be completed in late 2021. As part of the 2021 Regional Plan update, all projects, including <i>TransNet</i> projects, will be evaluated.</p>	<p>As part of the 2021 Regional Plan update all projects, including <i>TransNet</i> projects, will be evaluated.</p>	<p>As part of the 2021 Regional Plan update all projects, including <i>TransNet</i> projects, will be evaluated</p>
<p>d. Monitoring and reporting on the impacts of changing transportation</p>	<p>40 – 41</p>	<p>Medium</p>	<p>SANDAG will include technology assumptions in the development of</p>	<p>The topic of emerging technologies has continued to inform the development of the transportation network</p>	<p>SANDAG will include technology assumptions in both the development of the 5 Big Moves regional framework of</p>	<p>SANDAG will include technology assumptions in both the development of the 5 Big Moves regional framework of</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>technologies on the transportation network and future <i>TransNet</i> projects as part of long-term planning to avoid building expensive infrastructure that could be rendered obsolete.</p>			<p>revenue constrained transportation scenarios for the 2019 Regional Plan. Staff Lead - Phil Trom (Planning and Innovation) Team – Tim DeWitt ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)</p>	<p>for the Regional Plan and will continue to do so based on SANDAG Board approval and direction to move forward with a new vision for the San Diego Forward: The Regional Plan, which is anticipated to be completed in late 2021. SANDAG will include technology and innovation assumptions in the development of revenue constrained transportation scenarios for the 2021 Regional Plan.</p>	<p>projects and revenue constrained transportation scenarios for the 2021 Regional Plan.</p>	<p>projects and revenue constrained transportation scenarios for the 2021 Regional Plan.</p>
<p>4. Continue to work closely with the Metropolitan Transportation System (MTS) and North County Transit District (NCTD) to monitor the Transit Operations Plan by comparing actual <i>TransNet</i> revenues and operating costs against the Transit Operations Plan projections as additional services begin operations to highlight and mitigate the impact to the local operators, how to</p>	<p>41 – 43</p>	<p>High</p>	<p>SANDAG will work with MTS and NCTD to develop a new methodology to proactively monitor <i>TransNet</i> Transit Operations funding, focusing on existing data for costs and revenues and recognizing the limitations of estimating costs and revenues over such a long term. Once a new methodology has been established, staff will report annually to ITOC and</p>	<p>SANDAG presented a new methodology for monitoring <i>TransNet</i> Transit Operations funding to the Transportation Committee on July 20, 2018. Based on feedback from the Transportation Committee in July 2018, staff will continue to monitor the revenues and operating costs of existing services and will wait to revisit the proposed and actuals until both South Bay Rapid and Mid-Coast Trolley are operating for at least one year (likely in the fall of 2022). In the interim, staff will assess</p>	<p>As part of the annual budget report, staff will use existing costs to update proposed 3-year costs for existing routes. Mid-Coast Trolley costs will be estimated in conjunction with MTS with an MOU for the operations. The next update to the full 2048 Operations Plan will be after both South Bay Rapid and Mid-Coast Trolley are operating for at least one year (likely Fall 2022).</p>	<p>Staff continues to assess the program annually as well to assure that any unanticipated changes that may affect operations or the operations budget are addressed.</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
absorb any discrepancies through other funding sources, or potential scenarios for reductions in service if warranted. Communicate status, recommended actions, and any mitigation activities.			Transportation Committee. Staff Lead - Coleen Clementson (Planning and Innovation) Team – Brian Lane ITOC Leads – Stewart Halpern and Private Sector/CEO Position (Vacant)	the program annually as well to assure that any unanticipated changes that may affect operations or the operations budget are addressed.		
<b>Chapter 2: Performance Framework</b>						
5. Establish a comprehensive performance framework by implementing the following: a. Setting targets to measure <i>TransNet</i> performance against the <i>TransNet</i> Extension Ordinance goals in-line with federally mandated deadlines or at a faster pace. At a minimum, some narrative could accompany performance	46 – 50	<b>Critical</b>	SANDAG will be setting performance management goals related to the MAP-21/FAST Act timelines and requirements. Staff will evaluate federal performance management goals in order to align with <i>TransNet</i> funded projects. Staff Lead - Rachel Kennedy (Planning and Innovation) Team – Michelle Smith	SANDAG has set performance targets for the MAP-21/FAST Act performance measures. While these federal metrics are regional in nature (versus <i>TransNet</i> project specific) there is some overlap between Map-21/Fast Act performance management goals and goals established in the <i>TransNet</i> Ordinance. For example, <i>TransNet</i> goals of relieving congestion and improving safety could be aligned with the goals of delay and safety under MAP-21/FAST Act. <i>TransNet</i> goals of maintaining roads could	SANDAG staff is moving forward with addressing this and other related performance management activities including the <i>TransNet</i> Ten-Year performance-related action items. These recommendations will be addressed through the establishment of a <i>TransNet</i> Performance Framework. The Framework is expected to be completed in FY 2020.	These recommendations will be addressed through a <i>TransNet</i> Performance Framework including consultant assistance which began in March 2020. The Framework is expected to be completed in late 2020. The SANDAG Board approved statewide 2020 safety targets in January 2020. These targets are regional in nature but could provide general performance data over time.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>reporting to help others understand whether data and results were favorable or unfavorable.</p>			<p>ITOC Leads – Dustin Fuller, Stewart Halpern</p>	<p>tie back to federal targets of bridge and pavement condition. Goals of improving transit and expanding bus service under <i>TransNet</i> could be aligned with use of alternative modes and reducing ozone pollution under the federal requirements.</p> <p>Data for the 2018 safety targets is anticipated to be available in December 2019. In addition, SANDAG continues moving forward to implement other performance-related recommendations provided by the ITOC <i>TransNet</i> Triennial Performance Audit and anticipates providing a progress update in FY 2020. Staff also is currently developing a draft scope of work for consultant to review best practices, opportunities, and costs associated with various degrees of levels of effort to address Recommendation Nos. 5.a. – 5.e.</p>		

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<p>b. Capturing performance outcome data related to safety metrics, pavement condition, and bridge condition for highways, local roadways, and bicycle (bike) and pedestrian modes.</p> <ol style="list-style-type: none"> <li>1. Use the California Highway Patrols' Statewide Integrated Traffic Records System (SWITRS) to measure and monitor safety statistics—both for motorized and non-motorized fatalities and serious injuries—especially against the</li> </ol>	51 – 53	<b>Critical</b>	<ol style="list-style-type: none"> <li>1. SANDAG staff is collaborating with Caltrans on target-setting for safety. Caltrans is helping to provide county level SWITRS data to MPOs for both motorized and non-motorized fatalities and serious injuries. SANDAG has supported the statewide 2018 safety targets and will be highlighting safety projects included in the 2018 RTIP and 2019 Regional Plan. Staff will continue to monitor and analyze SWITRS safety data as it becomes available. SANDAG and Caltrans will collaborate on establishing annual safety targets as per MAP-21/FAST</li> </ol>	<ol style="list-style-type: none"> <li>1. Staff reviewed historic regional safety data for San Diego County.</li> <li>2. In October 2018, the SANDAG Transportation Committee established targets for the metrics in PM 2 (pavement and bridge condition for NHS facilities) and PM 3 (delay, emissions, and travel reliability metrics).</li> <li>3. See status for recommendation No. 5.a.</li> <li>4. See status for recommendation No. 5.a.</li> </ol>	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>new safety targets developed by Caltrans and adopted by SANDAG.</p> <p>2. Track and report highway pavement and bridge condition available from Caltrans on the SANDAG website or provide a hyperlink to where that information is available for taxpayers. Additionally, work with Caltrans to determine if bridge and pavement data can be isolated</p>			<p>Act requirements.</p> <p>2. SANDAG is collaborating with Caltrans on target setting for bridge and pavement condition. Caltrans will be providing county level data for these measures for facilities on the National Highway System (NHS). SANDAG will look for opportunities to share this information as it may relate to <i>TransNet</i> projects.</p> <p>3. For additional data collection efforts on Pavement Conditions, SANDAG staff will need to work with CTAC to determine an approach for reporting</p>			

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<p>for San Diego County from the Imperial County data contained within the Caltrans District 11 reported data.</p> <p>3. Track and report on local jurisdiction pavement condition by requiring local jurisdictions to provide pavement condition index data as soon as pavement condition surveys are performed and results become available.</p> <p>4. Obtain and use private</p>			<p>readily available pavement data. This may involve an amendment to the Ordinance to make such data collection a requirement.</p> <p>4. Currently, SANDAG uses PeMS data, and use of private sector data will be examined subject to existing third data sources (INRIX). Examination of other sources is subject to implementation and efforts under Recommendation 5e.</p> <p>Staff Lead - Rachel Kennedy (Planning and Innovation) Team – Grace Miño ITOC Leads – Dustin Fuller, Stewart Halpern</p>			

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>sector data to analyze congestion and delay on local streets and roads or evaluate status of Caltrans' Performance Measurement System (PeMS) to capture road performance including level of coverage of detection.</p>						
<p>c. Conducting more robust analysis of cause and effect for all performance metrics to provide meaning to results or help determine if different strategies or projects should be employed</p>	<p>51 – 53</p>	<p>High</p>	<p>The recommended analysis likely will require the use of modeling/other analytical tools and additional resources. SANDAG staff will propose an approach to implement this recommendation based on the outcome of</p>	<p>See status for recommendation No. 5.a.</p>	<p>This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>	<p>This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>

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<p>to get a better result. For instance, consider using heat maps to identify where the majority or significant severity accidents occur and work with Caltrans and local jurisdictions to inform solutions and future projects.</p>			<p>Recommendation 5e.  Staff Lead - Rachel Kennedy (Planning and Innovation)  Team – Grace Miño, Rick Curry  ITOC Leads – Dustin Fuller, Stewart Halpern</p>			

	<p>d. Providing regular performance monitoring reports that consider past performance in relation to <i>TransNet</i> goals through quarterly updates to the SANDAG Board and committees, annual public reports on the status of <i>TransNet</i>, and website postings.</p>	51 – 53	High	<p>More regular reporting is feasible for highway system performance, as more robust data is available via Caltrans PeMS. Local street and road performance (in terms of average speed and travel time) is now available via a third-party vendor (INRIX). Transit data reporting (in terms of passengers per revenue hour, passengers per revenue mile, operating cost per passenger, operating cost per revenue hour, revenue hours per employee, and farebox recovery ratios) also is feasible and can be made available via reporting currently conducted under Transportation Development Act monitoring.</p> <p>Staff Lead - Ellison Alegre (Planning and Innovation)</p>	<p>Staff continues investigating the potential to incorporate highway system performance from Caltrans PeMS into existing quarterly reporting. Transit data are not available quarterly, but the potential to report on a semi-annual basis is being reviewed. Agency agreement with INRIX expired in December 2018, and staff continues to work on a new agreement for local street and road performance data. Staff anticipates integration of available quarterly data into recurring quarterly reports in FY 2020.</p>	<p>Staff continues to assess viable consistent funding sources for third-party data such as INRIX. Funding commitment is necessary to establish new datasets in on-going monitoring and reporting.</p> <p>Staff continues to work with MTS/NCTD on initial annual reporting of transit travel times in the State of the Commute Report and also continues working on integration of additional roadway and transit data into quarterly reports.</p>	<p>This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>
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Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
			Team – Michelle Smith ITOC Leads – Dustin Fuller, Stewart Halpern			
e. Considering allocating funding for additional performance monitoring activities given that SANDAG will likely require more data sources, tools, and resources to track, validate, analyze, ensure quality, and report performance.	51 – 53	High	SANDAG staff will develop options to implement this recommendation, including any potential budget impacts, and bring to the Transportation Committee and Board for review and direction. Staff Leads - José Nuncio (Finance), Ray Traynor (Planning and Innovation) ITOC Leads – Dustin Fuller, Stewart Halpern	SANDAG continues moving forward to implement performance-related recommendations provided by the ITOC <i>TransNet</i> Triennial Performance Audit and anticipates providing a progress update in FY 2020. Staff also is currently developing a draft scope of work for consultant to review best practices, opportunities, and costs associated with various degrees of levels of effort to address Recommendation Nos. 5.a. – 5.e.	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e. Specifically, staff reviewed a draft scope of work for the Performance Monitoring Framework project and determined that Planning On-Call consultants would be appropriate for this type of work. Issuing the Task Order can occur once the Planning On-Call Contracts are executed, which is anticipated to occur in FY2020.	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.
6. Explore and study public-private partnerships with entities such as Google, Waze, Scoop, TomTom, or others to integrate and summarize performance results as well as provide information on a real-time basis to	51 – 53	Medium	SANDAG staff in the Operations Department have been working on partnerships with transportation information providers such as Google and Waze. Our current 511 system uses Google traffic and	SANDAG staff continues to look for opportunities for partnering with third party vendors such as Google and Waze to explore ways to better integrate and summarize performance results and provide real-time information to travelers. This recommendation is	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
travelers identifying different commute times and options.			transit data as well as utilizes the Google map. Future plans are to extend the regional Data Hub into a Transportation Mobility Cloud with the intent of utilizing third-party data as well as sharing public data with the private sector. Staff Lead - Alex Estrella (Planning and Innovation) ITOC Leads – Dustin Fuller, Stewart Halpern	anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.		
7. Enhance the Story Map tool, <i>TransNet</i> project status listing (shown in Appendix A), or develop a different tool to capture project output details and track <i>TransNet</i> accomplishments over time by implementing the following: a. Developing a comprehensive universe of <i>TransNet</i>	53 – 54	High	The implementation of this recommendation will require changes to existing tools and processes. SANDAG staff will propose an approach to implement this recommendation based on the outcome of Recommendation 5e.	a. Story Map has been updated with the most recent set of completed projects for those jurisdictions that also provided photos. Staff is still working on reconciling prior <i>TransNet</i> projects and is looking into whether online reporting as part of the SANDAG website update may be feasible.	a. Story Map has been updated with the most recent set of completed projects for those jurisdictions that also provided photos. Staff is still working on reconciling prior <i>TransNet</i> projects and is looking into whether online reporting as part of the SANDAG website update may be feasible.	a. <i>TransNet</i> Story Map continues to be updates as necessary. Work is in process to link all <i>TransNet</i> funded projects to the <i>TransNet</i> Ordinance in the Dashboard. This will affect current and future projects. This recommendation is also anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>projects completed, underway, and planned. Reconcile universe back to <i>TransNet</i> Extension Ordinance and what was expected to be delivered. Once universe is reconciled for historic projects, update universe as new projects are started and continue reconciliation of those new projects to the <i>TransNet</i> Extension Ordinance.</p> <p>b. Building upon planned output data currently captured through the Regional Transportation Improvement Program's automated ProjectTrak database and reported in the</p>			<p>Staff Lead - Michelle Smith (Finance)  Team – Alex Estrella  ITOC Leads – Dustin Fuller, Stewart Halpern</p>	<p>b. The implementation of this recommendation will require changes to existing tools and processes. SANDAG staff will propose an approach to implement this recommendation based on the outcome of Recommendation 5e.</p>	<p>b. This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>	<p>b. This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
Annual Output and Outcome report by reconciling those planned outputs with actual accomplishments. Consider requiring local jurisdictions to provide a closeout report with updated, actual data as projects are completed.						
<b>Chapter 3: Major Corridor Capital Construction</b>						
8. Update and refine the project listing started in the 10-Year Look-Back Review to ensure all major corridor projects are tracked back to those in the <i>TransNet</i> Extension Ordinance. Regularly report on project and financial status using the project listing developed in 10-Year Look-Back Review as a foundation or develop an alternate tool to	58 – 64	Medium	Project Office staff will utilize the project list crosswalk created with the 10-Year Look-Back Review and incorporate the data field into the dashboard webform as part of the 2019 upgrade.  Staff Lead - Susan Huntington (Finance)	The new dashboard database, which includes the ordinance number field, is currently being developed and will be deployed in summer 2019.	Staff turnover and competing internal staff priorities have delayed progress on rolling out the new dashboard database. The revised anticipated deployment of the dashboard is summer 2020.	Deployment of the new dashboard database is still anticipated in summer 2020.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
accomplish the goal of tracking against the <i>TransNet</i> Extension Ordinance.			ITOC Leads – Kai Ramer, Brad Barnum			
<p>9. Begin gathering data on whether the Construction Manager/General Contractor (CMGC) method used on the Mid-Coast Corridor Transit project is delivering on expectations for cost savings, efficiencies, better quality, or collaboration to solve problems rather than using a typical silo-approach between design, construction, contractors, and owners by implementing the following:</p> <ul style="list-style-type: none"> <li>a. Comparing SANDAG’s proposed metrics for assessing Mid-Coast Corridor project performance to the performance metrics and practices used by Caltrans’ to determine</li> </ul>	65 – 71	Medium	<p>Mid-Coast has procedures and tools in place to capture CM/GC savings and efficiencies including comment and review logs, risk matrix and RFI response process. To address the recommendation, an innovations log or other method of formally tracking will be developed. SANDAG will research industry standards for comparing construction contracting methods for application to CM/GC to Low Bid. Mid-Coast will be compared to Mission Valley East Light Rail Transit Extension as the closest side-by-side</p>	<ul style="list-style-type: none"> <li>a. The Mid-Coast Project Team is focused on supporting construction efforts and continues to compile and update design and change review logs, risk matrix and Request for Information responses. Preparation of a CM/GC innovation log will begin as civil and structure construction nears completion. Comparison of scope, cost and schedule changes between Mid-Coast and Mission Valley East would start in 2020.</li> <li>b. The Mid-Coast schedule completion date has varied between 20 and 29 days behind. Staff and builder agree that future track and signal activities could be overlapped to</li> </ul>	<ul style="list-style-type: none"> <li>a. Comparison of scope, cost and schedule changes between Mid-Coast and Mission Valley East would start in 2020.</li> <li>b. The Mid-Coast schedule completion date continues to vary between 20 and 29 working days behind. Track and signal activities are being overlapped to meet schedule. The current construction environment has driven increases for sub-contractor costs. Project, Construction</li> </ul>	<ul style="list-style-type: none"> <li>a. Comparison of scope, cost and schedule changes between Mid-Coast and Mission Valley East would start in 2020.</li> <li>b. For NCC, a CMGC coach was hired to facilitate surveys and partnering meetings to address program concerns related to schedule, cost and teamwork environment.</li> </ul>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>whether there are any additional practices SANDAG may want to include or adopt, such as the Caltrans innovations log, to help formally track benefits, successes, and challenges.</p> <p>b. Addressing recent survey comments related to possible schedule impacts from project activities in addition to the perceived higher value of change orders.</p>			<p>comparative example. Project, Construction, and CM/GC managers will continue to meet regularly to review change orders and schedule impacts identified in the survey.</p> <p>Staff Lead - John Haggerty/Ramon Ruelas (Capital Programs and Regional Services), Allan Kosup (Caltrans)</p> <p>ITOC Leads – Kai Ramer, Brad Barnum</p>	<p>meet schedule. Staff continues to negotiate change costs. The current construction environment is driving increases for sub-contractor costs. Project, Construction, and CM/GC managers will continue to meet regularly to review change orders and schedule impacts identified in the survey.</p>	<p>and CM/GC managers have met regularly to review cost change orders and are negotiating cost changes cooperatively and fairly. Several major cost related items should be settled next quarter.</p>	
<p>10. Gather and store documents to support “benefit” statistics tracked for the North Coast Corridor and the Mid-Coast Corridor whether using the innovations log utilized by Caltrans or another method used by SANDAG. Maintain supporting documentation,</p>	<p>69 – 71</p>	<p>Medium</p>	<p>Mid-Coast data are maintained on a project file sharing site and project record documents including logs and cost data will be permanently stored in a SANDAG SharePoint location.</p>	<p><u>Mid-Coast Corridor</u></p> <p>The Project Team is updating the Document Management Plan in spring 2019. This is an update required by the FTA. With this update the Project Controls Team is making and documenting process improvements. The Project Team continues document</p>	<p><u>Mid-Coast Corridor</u></p> <p>The updated Mid-Coast Document Management Plan has been submitted to the FTA for Review.</p> <p>The Project Team continues document management processing including file sharing, maintaining as-builts and storage of permanent</p>	<p><u>Mid-Coast Corridor</u></p> <p>FTA has reviewed the Document Management Plan. Staff is addressing minor comments.</p> <p>The Project Team continues document management processing including file sharing, maintaining as-builts and storage of permanent</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
such as cost comparisons, in a centralized repository that is linked or reconciled with the log or summary statistics.			<p>Staff Lead - John Haggerty/Ramon Ruelas (Capital Programs and Regional Services), Allan Kosup (Caltrans)</p> <p>ITOC Leads – Kai Ramer, Brad Barnum</p>	<p>management including file sharing, maintaining as-builts and permanent storage on SharePoint. This activity will continue until project close-out in 2022. Cost data for CM/GC comparison will be available late 2021.</p> <p><u>North Coast Corridor</u></p> <p>The project team is gathering and storing documents to support the performance measures identified for the program. The project team designated the CM/GC coach to be the gatekeeper and store all data in a central repository.</p>	<p>documents on the SANDAG SharePoint server. This activity will continue until project close-out in 2022. Cost data for CM/GC comparison will be late 2021.</p> <p><u>North Coast Corridor</u></p> <p>The project team is continuing to gather and store documents, on a quarterly basis, to support the performance measures identified for the program. The CM/GC coach has continued to be the gatekeeper and store all data in a central repository. This activity will continue until major construction completion in 2021.</p>	<p>documents on the SANDAG SharePoint server now on cloud storage. This activity will continue until project close-out in 2022. Cost data for CM/GC comparison will be late 2021.</p> <p><u>North Coast Corridor</u></p> <p>As innovations arise on NCC, documentation is submitted to the CMGC coach for processing and to update the “benefit” statistics.</p>
<b>Chapter 4: Local Street and Road</b>						
11. Revisit the <i>TransNet</i> Extension Ordinance congestion relief and maintenance split to be more relevant with local	75 – 76	Medium	SANDAG staff is working with CTAC to determine an approach and possible	Initial possible revisions were developed with input and feedback from CTAC in late 2018. Staff is continuing to work on examining proposed	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.	This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>needs as the <i>TransNet</i> lifecycle matures by considering elimination of the 70/30 split, change to the percentage limitations, or modification of the categorical definitions within the <i>TransNet</i> Extension Ordinance limitations.</p>			<p>implementation steps for examining the 70/30 split recommendation, and the CTAC has formed an ad-hoc work group to address this recommendation. Discussion outcomes will be reported to ITOC to determine possible next steps including Board Policy expenditure guidelines changes.</p> <p>Staff Lead - Alex Estrella (Planning and Innovation) Team – Yen Ho, Sue Alpert ITOC Leads – Michael Kenney, Brad Barnum</p>	<p>initial revisions and alignment with other audit report performance-related recommendations to determine potential implications to the Local Street and Road Program. The implementation of this recommendation will be examined in conjunction with Recommendation No. 5.e.</p>		
<p>12. Continue to monitor compliance with SANDAG Board Policy No. 031, Rule 21, until otherwise amended, by implementing the following:</p> <ul style="list-style-type: none"> <li>a. Following-up on the results from the</li> </ul>	78 – 79	High	<p>Board Policy No. 031 Rule No. 21 addresses accommodation of bicyclists and pedestrians. SANDAG will conduct a compliance review using the existing processes of the</p>	<p>Staff developed a work plan for this effort and is currently providing informational updates and taking comments from the Active Transportation Working Group, Cities/County Transportation Advisory Committee, and Regional Planning Technical</p>	<p>This recommendation is now anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>	<p>This recommendation is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>SANDAG Board Policy No. 031, Rule 21 evaluation conducted by SANDAG in 2014:</p> <ol style="list-style-type: none"> <li>1. Use results from SANDAG Board Policy No. 031, local Rule 21 review to make identified changes to the Ordinance definitions and follow-up on areas of noncompliance noted during the review.</li> <li>2. Work with locals to determine a method to demonstrate compliance with SANDAG</li> </ol>			<p>Policy. Results will be reported to CTAC for discussion and determination of need to modify compliance guidelines and processes. SANDAG will amend applicable Board Policy to track development of bicycle and pedestrian projects built using <i>TransNet</i> funds.</p> <p>Staff Lead - Linda Culp (Capital Programs and Regional Services)</p> <p>Team – Grace Miño, Sue Alpert, Chris Kluth</p> <p>ITOC Leads – Michael Kenney, Brad Barnum</p>	<p>Working Group, and will be building upon that input to draft potential recommendations on additional monitoring and reporting and potential changes to board policy. Staff will continue to coordinate implementation of this recommendation with efforts to implement Recommendation No. 11.</p>		

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>Board Policy No. 031, Rule 21.</p> <p>3. Amend or establish a SANDAG Board Policy to require local jurisdictions to track and report on the number of bike and pedestrian facilities implemented using <i>TransNet</i> funds.</p>						
<p>b. Conducting another review of local projects and considering whether any adjustments are warranted in light of SANDAG's Complete Streets Policy.</p>	78 – 79	High	<p>SANDAG will conduct a compliance review using the existing processes of the Policy to determine if modifications are necessary to be more consistent with the SANDAG Complete Streets Policy.</p> <p>Staff Lead - Linda Culp (Capital</p>	<p>To be coordinated with implementation of recommendation No. 12.a.</p>	<p>This recommendation is now anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.</p>	

Audit Recommendation		Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
				Programs and Regional Services) Team – Chris Kluth ITOC Leads – Michael Kenney, Brad Barnum			
<b>Chapter 5: Transit Services</b>							
13.	Continue to analyze major transit commute routes and services and report on whether commute times have improved or should be improved.	87 – 88	Low	SANDAG staff will continue to report on this area via the annual State of the Commute Report. Staff Lead - Brian Lane (Planning and Innovation) Team – Ellison Alegre ITOC Lead –Private Sector/CEO Position (Vacant)	SANDAG staff will continue to report on this area via the annual State of the Commute Report.	SANDAG staff is scheduled to present the State of the Commute report, including transit commute times, at the November 13, 2019, ITOC meeting.	An ITOC subcommittee was formed and met in February 2020 to review the results of the 2019 State of the Commute. The 2019 State of the Commute will be presented to ITOC in spring/summer 2020.
14.	Regularly track and report on <i>TransNet</i> goals to increase services to seniors and persons with disabilities.	88 – 89	High	SANDAG staff will look at ways to report on this area via the annual State of the Commute Report beginning FY 2018. Staff Lead - Brian Lane (Planning and Innovation) Team – Ellison Alegre	SANDAG staff continues looking into ways to report on this area via the annual State of the Commute Report. It is anticipated this will be incorporated into reporting scheduled to be presented in spring/summer 2019.	SANDAG staff continues looking into ways to report on this area via the annual State of the Commute Report. It is anticipated this will be incorporated into reporting scheduled to be presented with the next State of Commute Report.	SANDAG staff continues looking into ways to report on this area via the annual State of the Commute Report. It is anticipated this will be incorporated into reporting scheduled to be presented with the next State of Commute Report.

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
			ITOC Lead – and Private Sector/CEO Position (Vacant)			
15. Work together with the region’s transit operators to analyze options offsetting the impact subsidy disparities have on available funds for expanding transit services, such as funding the pass subsidy disparity for seniors and persons with disabilities from other <i>TransNet</i> areas—as allowed by the <i>TransNet</i> Extension Ordinance—adjusting the discount offered for senior/disabled and youth riders, determining whether disparities can be funded through other sources, or maintaining existing funding and process.	89 – 91	Medium	SANDAG staff currently is working with the transit operators on a Regional Fare Study that may help offset the revenue impacts of the discount subsidies. Additionally, SANDAG staff will work with both transit operators’ staff to study other options to increase ridership and revenues. Staff Lead - Brian Lane (Planning and Innovation) ITOC Lead – Private Sector/CEO Position (Vacant)	SANDAG staff worked with both transit operators’ staff to implement this recommendation. Fare change proposals were presented to the Transportation Committee and ITOC. The Board of Directors approved the changes on February 8, 2019, with the planned implementation by the transit operators anticipated to occur in spring 2019.	<input checked="" type="checkbox"/> Complete	
16. Collaborate with the operators to revisit the operating cost ceiling tied to changes in the Consumer Price	91 - 92	Medium	SANDAG Planning and Finance staff will meet with the operators to collaborate on possible solutions	Staff from SANDAG, MTS, and NCTD met in January 2019 to discuss options to present to the ITOC. Staff from the MTS, NCTD, and SANDAG will prepare	A subcommittee of ITOC members was convened to review the discussion results from the SANDAG/MTS/NCTD meetings. ITOC	A PRP meeting was held in January 2020 to discuss SANDAG’s use of CPI across the agency. Staff anticipates returning to ITOC with a

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020	
<p>Index as specified in the <i>TransNet</i> Extension Ordinance so that operators have some flexibility with reasonable cost increases while still maintaining the intent of <i>TransNet</i> to provide some assurance of the reasonableness of those cost increases. This could include allowing for a wider variance in cost increases, setting a threshold for a not-to-exceed limit, expanding the target by a specified percent in years when changes to the Consumer Price Index decline, or allowing cost exclusions that can be supported, or modify <i>TransNet</i> Extension Ordinance language to apply the cost thresholds at the operator level rather than by individual mode.</p>			<p>to address this recommendation. It is expected that these solutions could be included in a future amendment to the Ordinance. Staff Lead - Brian Lane (Planning and Innovation) Team – Yen Ho ITOC Lead – and Private Sector/CEO Position (Vacant)</p>	<p>proposed amendment language for Section 4(C)(5) for consideration in spring 2019. Staff is scheduled to present options for implementation at the March 13, 2019, ITOC meeting. Pending ITOC input and final approval by the SANDAG Board of Directors, the amendments would be formalized in spring/summer 2019 for incorporation into the upcoming fiscal and compliance audit.</p>	<p>subcommittee did not support portions of the audit recommendation but did ask staff and transit operators to further research the recommendation to expand the target by a specified percent in years when changes to the Consumer Price Index decline.</p> <p>SANDAG staff met to discuss progress on this item, and it was decided that Data, Analytics, and Modeling staff will convene a Peer Review Process (PRP) to evaluate all instances of CPI use throughout the agency and then come back with a recommendation based on those results.</p>	<p>recommendation for ITOC consideration at a future meeting.</p>	
<b>Chapter 6: Bike and Pedestrian Modes of Transportation</b>							
17.	Continue efforts to establish baseline	95 – 96	Medium	SANDAG will continue to	SANDAG continues to capture and maintain	SANDAG continues to capture and maintain	SANDAG continues to capture and maintain

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>data for bike and pedestrian volume to identify trends and set targets.</p>			<p>capture and maintain baseline data to identify trends and establish targets. Staff Lead - Linda Culp (Capital Programs and Regional Services) Team - Chelsea Gonzalez ITOC Leads – Stewart Halpern, Gregg Sadowsky</p>	<p>baseline data to identify trends and establish targets. FY 2018 data were included in the FY 2018 Bikeway Program Annual Status Report, which was presented to ITOC on September 12, 2018. FY 2019 data will be presented in the next Bikeway Program Annual Status Report in fall 2019. Ridership and pedestrian counts also are provided in the Bikeway Quarterly Status report that was provided to the Transportation Committee in October 2018. The next quarterly status report is scheduled for ITOC and Transportation Committee presentation in spring 2019.</p>	<p>baseline data to identify trends and establish targets. FY18 data was included in the FY18 Bikeway Program Annual Status Report, which was presented to ITOC on September 12, 2018. FY 2019 data will be presented in the next Bikeway Program Annual Status Report in early 2020. A quarterly status report will be presented to the Transportation Committee in October 2019.</p>	<p>baseline data to identify trends and establish targets. The FY 2019 Bikeway Program Annual Status Report was presented to ITOC on February 12, 2020. A quarterly status report was recently presented to ITOC and the Transportation Committee in February 2020.</p>
<p>18. Improve project management practices and project delivery for the Bike Early Action Program projects by implementing the following:</p> <ul style="list-style-type: none"> <li>a. Finalizing and implementing the in-progress Regional Bikeway Program</li> </ul>	<p>96 – 98</p>	<p>Medium</p>	<p>SANDAG staff has completed the Program Management Plan. The SANDAG Active Transportation Team will have trainings with project managers to implement PMP practices. Staff Lead - Linda Culp (Capital</p>	<p>SANDAG staff completed the Program Management Plan in July 2018 and held related project manager training in January 2019. An update will be presented to the ITOC in spring 2019.</p> <p><input checked="" type="checkbox"/> Complete</p>	<p><input checked="" type="checkbox"/> Complete</p>	

Audit Recommendation		Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
	Management Plan.			Programs and Regional Services) Team – Chris Kluth ITOC Leads – Stewart Halpern, Gregg Sadowsky			
b.	Using Dashboard data that currently tracks frequent causes of delays during the design and environmental phases of bike projects, to summarize lessons learned, identify and mitigate future preventable occurrences, and improve scheduled delivery of the remaining projects.	97 – 98	High	Guidance on documenting lessons learned will be included in the Program Management Plan. SANDAG will work to develop procedures and tools to maintain lessons learned, identify and mitigate project risks, and improve schedule delivery. Staff Lead - Linda Culp (Capital Programs and Regional Services) Team – Lamont Dowell, Chris Kluth ITOC Leads – Stewart Halpern, Gregg Sadowsky	A Lessons Learned section was included in the final Program Management Plan. As this is a living document, updates will be provided to this and other applicable sections. In January 2019, SANDAG staff held a Lessons Learned/Risk Training Session for all project managers to step through the preliminary design of one of the Bike Early Action Program projects. <input checked="" type="checkbox"/> Complete	<input checked="" type="checkbox"/> Complete	
<b>Chapter 7: Environmental Mitigation Program</b>							
19.	Continue efforts to establish a new Memorandum of	100	High	The Memorandum of Agreement (MOA) has	The new MOA was presented for feedback to the EMP Working	<input checked="" type="checkbox"/> Complete	

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
<p>Agreement with Caltrans, California Department of Fish and Game, and the U.S. Fish and Wildlife Service to replace current one expiring before funding expires in June 2018.</p>			<p>expired, but funding under the SANDAG CIP budget is available for FY 2019. SANDAG will be using the results of the Ten-Year Review Look-Back and the FY 2018 <i>TransNet</i> Triennial Performance Audit as the basis for a new MOA, which is currently under development and anticipated to be finalized by the end of calendar year 2018. Staff Lead – Keith Greer (Planning and Innovation) Team – Kim Smith ITOC Lead – Dustin Fuller</p>	<p>Group, policy advisory committees, and ITOC in January/February 2019. The SANDAG Board of Directors approved the MOA on February 22, 2019. <input checked="" type="checkbox"/> Complete</p>		
<p>20. Enhance the financing and use of <i>TransNet</i> funding for the Environmental Mitigation Program (EMP) by implementing the following:</p>	<p>102 – 103</p>	<p>High</p>	<p>SANDAG is tracking the change in cost for the lagoon restoration efforts and comparing it to the cost savings associated with lower than</p>	<p>Staff is actively tracking the change in cost for San Elijo Lagoon. A CM/GC contract is anticipated to be executed in June 2019 for construction of the San Dieguito W-19 Restoration Project. SANDAG anticipates an estimate in late 2019, and</p>	<p>Staff continues to actively track the changes in cost for the I-5 NCC Lagoon projects. Construction for the San Elijo Lagoon Restoration Project is anticipated to be complete in June of 2020. A CMGC contractor was selected (Marathon Construction) for</p>	<p>Staff continues to actively track the changes in cost of the I-5 NCC Lagoon projects. The San Elijo Lagoon Restoration project construction will be complete in July of 2020. Ten years of long-term mitigation monitoring will then be required in order to</p>

Audit Recommendation	Report Page	Priority	Initial Staff Response July 2018	Implementation Status March 2019	Implementation Status October 2019	Implementation Status March 2020
a. Reviewing and updating EMP cost estimates in light of higher costs than anticipated associated with restoring coastal wetlands.			estimated land acquisition costs. Staff Lead – Kim Smith (Planning and Innovation) ITOC Lead - Dustin Fuller	construction to begin in fall 2020.	implementation of the San Dieguito W-19 Restoration Project. Construction is anticipated to begin in fall of 2020.	satisfy permit requirements. The CMGC contractor for the W-19 project was selected and a GMP is anticipated sometime in summer of 2020 that will include the cost of construction of this lagoon project.
b. Considering the most efficient use of available funding and possible adjustments, as allowed by the <i>TransNet</i> Extension Ordinance, to focus on higher priority activities and projects such as restoring coastal wetlands, given updated revenue forecast information and cost estimates.	100 – 102	High	SANDAG has started discussing ways to address this issue which will be incorporated into the revised MOA identified in Recommendation 19 above. Staff Lead - Keith Greer (Planning and Innovation) Team – Kim Smith, Susan Huntington ITOC Lead - Dustin Fuller	This recommendation is being addressed as part of the new MOA approved by the Board (Recommendation No. 19), which proposes to manage cash flow to address the highest priorities for the EMP.	<input checked="" type="checkbox"/> Complete	
c. Revisiting the established economic benefit	103 – 104	High	Cost savings are being tracked, but true cost savings will not occur	This recommendation is being addressed as part of the new MOA approved by the Board	See response to 19 above. The new MOA was signed and executed by all parties on May 23, 2019.	

	<b>Audit Recommendation</b>	<b>Report Page</b>	<b>Priority</b>	<b>Initial Staff Response July 2018</b>	<b>Implementation Status March 2019</b>	<b>Implementation Status October 2019</b>	<b>Implementation Status March 2020</b>
	methodology to ensure the calculation accurately represents the cost savings that have been achieved.			until a project has completed close-out. This has not happened yet, but over the next year SANDAG will evaluate and assign a value considering the overall costs of the program as described in Recommendation 20a above. Staff Lead - Keith Greer (Planning and Innovation) Team – Stephanie Guichard ITOC Lead - Dustin Fuller	(Recommendation No. 19). Additional funding for economic benefit would be considered after repayment of existing bond debt.	It states in the MOA that additional funding for economic benefit would be considered after repayment of existing bond debt. <input checked="" type="checkbox"/> Complete	
21.	Make changes, as appropriate, to marketing efforts for the local streets and road mitigation bank funding available for local projects, consider revising eligibility criteria for public entities, or consider whether those monies could be better utilized within other EMP priority actions, as allowed under the	104	High	SANDAG has made several attempts to promote the availability of these credits. SANDAG will work with Communications staff to establish a systematic approach. Communications has met with the Planning EMP staff and has calendared upcoming	SANDAG is working with Communications staff to establish a systematic approach to promote the availability of these credits, which may include an EMP Local Streets and Road Mitigation fact sheet that would be ready for distribution in summer/fall 2019.	SANDAG continues working with the City of San Diego and developers in Chula Vista on Local Streets and Roads mitigation credit availability. SANDAG will verify if these projects are programmed in the RTIP and meet with the jurisdictions to discuss mitigation needs by January 1, 2020.	SANDAG continues to work with the City of San Diego and developers in Chula Vista on Local Street and Roads mitigation credit availability. These projects are going through the process of being amended into the RTIP in order to qualify for this funding. A presentation on the availability of mitigation credits was provided at the RTIP Workshop on February 27, 2020.

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<p><i>TransNet</i> Extension Ordinance.</p>			<p>milestones in order to plan public information releases on all communication platforms.  Staff Lead - Keith Greer (Planning and Innovation)  Team – Susan Huntington, Irene McCormack  ITOC Lead - Dustin Fuller</p>			
<p>22. Measure progress in meeting specific and detailed EMP goals, objectives, and action items for regional monitoring and management under the Management Strategic Plan. Specifically, develop metrics using the abundance of data to holistically understand the status and trend of the overall health of the preserve against the baselines established in regional conservation plans and formalize a system to communicate</p>	105	Medium	<p>SANDAG already has identified several similar efforts from around the country. SANDAG will develop a proposed approach to communicate these complex ideas to the public and report as a report card or similar evaluation system. Work will start in summer 2018 to develop a detailed work plan. Communications is involved in the planning effort and will work with the Planning</p>	<p>SANDAG drafted a scope of work to contract with an outside entity to develop regional metrics to track the health of the preserve system. This effort was included in the <i>TransNet</i> EMP FY 2019-2020 Work Plan that was approved by the BOD in October 2018.</p>	<p>SANDAG continues to work internally with the regional entity (SDMMP) and a small stakeholder group to identify and develop metrics. Staff is planning a workshop to be held in November 2019 to gather input from various stakeholders on what should be measured.</p>	<p>SANDAG is taking the data collected at the November 2019 EMPWG Metrics Workshop to develop metrics to measure the status of the preserve system. During February, staff worked with SDMMP and a small subgroup to finalize a draft framework for the development of metrics and presented these to the EMPWG at its March 2020 meeting. Staff will continue to work on developing metrics and will also bring on an independent contractor to help determine how these metrics should be communicated to the public.</p>

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complex performance results to the public.			department to produce informative pieces for distribution on multiple communication platforms. Staff Lead - Keith Greer (Planning and Innovation) Team – Kim Smith, Irene McCormack ITOC Lead - Dustin Fuller			
<b>Chapter 8: Information and Transparency</b>						
23. Regularly report on implementation of <i>TransNet</i> Extension Ordinance goals by annually publishing progress on SANDAG’s website, annual report, or other easily visible reporting tool.	110	High	Communications is working on a proactive annual plan for publishing progress that will entail multiple forms of communication pieces on a variety of communication platforms. Staff Lead - Irene McCormack (Business Operations and Advisory Services) Team – Ariana zur Nieden ITOC Leads –	Communications has incorporated the ITOC annual report into its overall yearly communication strategy that includes press releases, social media, the monthly Region publication and other regular email newsletters, as well as incorporation into speaking engagements and focused media attention on specific <i>TransNet</i> -funded projects. In addition, Communications routinely updates the <a href="http://KeepSanDiegoMoving.com">KeepSanDiegoMoving.com</a> web site to ensure that stakeholders have the best information on	In terms of reporting on <i>TransNet</i> Ordinance goals, the remainder of this recommendation to report on implementation of goals is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.	In terms of reporting on <i>TransNet</i> Ordinance goals, the remainder of this recommendation to report on implementation of goals is anticipated to be addressed in conjunction with Recommendation Nos. 5.a. – 5.e.

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			Brad Barnum, Kai Ramer, Gregg Sadowsky	projects funded by <i>TransNet</i> .		
24. Modify staff reports for SANDAG Board and other oversight committees to summarize elements related to public input, pros and cons on recommended actions, and implications or impacts of those recommended actions. Ensure that staff reports are summarized to one or two pages.	111 – 112	<b>Critical</b>	A comprehensive review of the agenda production process, including report preparation, is being conducted based on the Board’s Plan of Excellence to ensure transparency and clear, concise, and easily understandable information in reports and presentations. Staff Lead - Victoria Stackwick (Government Relations) Team – Robyn Wapner ITOC Leads – Brad Barnum, Kai Ramer, Gregg Sadowsky	A new short-form report has been developed. Use of the new report format began in October 2018 for Board, Policy Advisory Committee, and ITOC meetings. Staff is developing internal guidelines to ensure consistent implementation of the new agenda production processes. Formal trainings are scheduled for spring 2019 to provide staff with additional resources and technical knowledge. <input checked="" type="checkbox"/> Complete	<input checked="" type="checkbox"/> Complete	
25. Better link <i>TransNet</i> funding to project and program activities for general	113 – 114	Low	SANDAG staff will review existing websites and make	Staff has reviewed and made improvements to <a href="http://sandag.org/TransNet">sandag.org/TransNet</a> , which included adding	Staff continued to make and recommend improvements to <a href="http://sandag.org/TransNet">sandag.org/TransNet</a> as	Implementation is ongoing. The findings from the review of partner agency websites

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<p>public awareness by implementing the following:</p> <p>a. More prominently featuring the <i>TransNet</i> logo on SANDAG and <i>TransNet</i> partner websites as well as through other media such as Facebook and Twitter.</p>			<p>recommendations for additional <i>TransNet</i> logo and language placement to create stronger recognition of the <i>TransNet</i> Program. Staff also will begin review of partner agency websites to see where SANDAG and <i>TransNet</i> logos and corresponding language can be added/enhanced. SANDAG social media posts will reference the use of <i>TransNet</i> funding where appropriate, and #<i>TransNetSD</i> will continue to be used as a way of threading all <i>TransNet</i>-funded program and project posts together. Social media campaigns specific to <i>TransNet</i>-funded efforts and accomplishments will be more regularly pursued.</p>	<p>links to the <i>TransNet</i> Dashboard and <i>TransNet</i> grant program pages. On social media, #<i>TransNetSD</i> is being more consistently added to posts that referenced <i>TransNet</i>-funded projects. Social campaigns featuring <i>TransNet</i>-funded grant programs also were completed. In both press releases and social media, all funding source information is being consistently added where appropriate. SANDAG press releases continue to reference <i>TransNet</i> funding and social media campaigns specific to <i>TransNet</i>-funded efforts and accomplishments are being regularly pursued. The review of partner agency websites is expected to begin by spring 2019 and wrap-up by June 30, 2019.</p>	<p>requested. On social media, #<i>TransNetSD</i> continued to be added to posts that referenced <i>TransNet</i>-funded projects. SANDAG press releases continued to reference <i>TransNet</i> funding and social media campaigns specific to <i>TransNet</i>-funded efforts and accomplishments are being regularly pursued. The review of partner agency websites wrapped up and findings will be distributed by December 2019 to the project team to see where opportunities to more prominently feature <i>TransNet</i> exist.</p>	<p>will be presented to the project team in the third quarter or FY 2020 so opportunities to see where <i>TransNet</i> can be more prominently identified can be examined.</p>

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			<p>Staff Lead - Joy DeKorte (Business Operations and Advisory Services)</p> <p>Team – Ariana zur Nieden</p> <p>ITOC Leads – Brad Barnum, Kai Ramer, Gregg Sadowsky</p>			
<p>b. Revamping SANDAG website to capture documents pertinent to <i>TransNet</i> in a centralized area for each <i>TransNet</i> Extension Ordinance component. This includes linking Dashboard projects with those listed in the <i>TransNet</i> Extension Ordinance.</p>	<p>114 – 115</p>	<p>Low</p>	<p>The sandag.org/<i>TransNet</i> web page will be reviewed and recommendations made will include each <i>TransNet</i> component, including the Dashboard. Staff has been pursuing a complete redesign of sandag.org, expected to begin in FY 2019, which is planned to include higher visibility of each <i>TransNet</i> component, including the Dashboard. Additionally, staff will begin a coordinated review of the Dashboard to determine the most effective way to link projects</p>	<p>Staff reviewed <a href="http://sandag.org/TransNet">sandag.org/TransNet</a> and added additional links, including one to the Dashboard and others to its various grant programs. SANDAG issued the notice to proceed for the website redesign project in December 2018. The project is expected to closely align with the <i>TransNet</i> Dashboard redesign, so <i>TransNet</i>-funded project components can be shared between sites, allowing for greater transparency. The SANDAG website redesign project is anticipated to be completed in FY 2020.</p>	<p>The sandag.org website redesign project is underway, with completion scheduled in late spring 2020. The project will closely align with the <i>TransNet</i> Dashboard redesign so <i>TransNet</i>-funded project components can be shared between sites to allow for greater transparency.</p>	<p>Work on the sandag.org redesign continues. The project continues to align with the <i>TransNet</i> Dashboard redesign so <i>TransNet</i>-funded project components can be shared between sites to allow for greater transparency.</p>

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			<p>back to the Ordinance.  Staff Lead - Joy DeKorte (Business Operations and Advisory Services)  Team – Ariana zur Nieden  ITOC Leads – Brad Barnum, Kai Ramer, Gregg Sadowsky</p>			
<p>26. Ensure data on completed projects is maintained in the Dashboard—even if under an archived location still accessible to the public—and separate past and future expenditures between the original <i>TransNet</i> amounts and the <i>TransNet</i> Extension Ordinance amounts.</p>	115 – 116	Medium	<p>SANDAG will ensure all completed projects are maintained in the Dashboard, and that all expenditures have been associated with the appropriate funding source.  Staff Lead – Lamont Dowell (Finance)  ITOC Leads – Brad Barnum, Kai Ramer, Gregg Sadowsky</p>	<p>Completed projects and expenditures have been added to the Dashboard and are available for public viewing. Information available at <a href="http://www.transnettrip.com">www.transnettrip.com</a>  <input checked="" type="checkbox"/> Complete</p>	Complete	

# Independent Taxpayer Oversight Committee

## FY 2018 *TransNet* Triennial Performance Audit

### Background

The Independent Taxpayer Oversight Committee (ITOC) provides an increased level of accountability for expenditures made under the *TransNet* Extension Ordinance. In addition to conducting independent annual fiscal and compliance audits, the ITOC also conducts triennial performance audits of SANDAG and partner agencies involved in the implementation of *TransNet*-funded projects and programs to provide recommendations for improvement. The most recent Triennial Performance Audit<sup>1</sup> and recommendations<sup>2</sup> was conducted in FY 2018, and the next performance audit is scheduled for FY 2021.

### Implementation Status

● Implemented    ◐ In progress    ○ Upcoming

#### ***TransNet* Financing**

*To support the *TransNet* capital improvement program, SANDAG regularly adopts a Plan of Finance (POF)—a continually updated document focused primarily on the next five to seven years.*

- Ensure the Plan of Excellence and its seven-point modeling plan are implemented
- ◐ Enhance the POF process and information provided to decision-makers by:
  - Leveraging historical data and previous POFs
  - Developing a process or policy for more frequent reporting
  - Continuing efforts to increase the transparency of sales tax revenue forecasts
- ◐ Monitor *TransNet* revenues and debt service obligations against needed growth projections
- ◐ Identify methods to assess options, if needed, to delay, eliminate, or reduce scope of projects
- ◐ Monitor and report on the impacts of changing transportation technologies on the transportation network and future *TransNet* projects
- ◐ Establish a formal structured protocol to review funding sources and uses occurring in the last 10 to 20 years of the *TransNet* Extension Program
- ◐ Monitor the *TransNet* Transit Operations Plan by comparing actual *TransNet* revenues and operating costs against the *TransNet* Transit Operations Plan projections

#### **Performance Framework**

*To measure outcomes, a structured performance framework will be put in place by implementing the following.*

- ◐ Establish a comprehensive performance framework by:
  - Setting targets to measure *TransNet* performance against *TransNet* Extension Ordinance goals
  - Capturing performance outcome data related to safety metrics, pavement condition, and bridge condition for highways, local roadways, and bike and pedestrian modes
  - Conducting more robust analysis of cause and effect for all performance metrics
  - Providing regular performance-monitoring reports that consider past performance in relation to *TransNet* goals through quarterly updates
  - Considering allocating funding for additional performance-monitoring activities
- ◐ Explore and study public-private partnerships to integrate and summarize performance results
- ◐ Enhance the Story Map tool and *TransNet* project status listing or develop a different tool to capture project output details

#### **Major Corridor Capital Construction**

*A key goal of the *TransNet* major capital corridor construction program is to relieve congestion on the region's freeways by increasing*

- ◐ Update and refine the project listing started in the 10-Year Look-Back Review to ensure all major corridor projects are tracked back to those in the *TransNet* Extension Ordinance
- ◐ Begin gathering data on whether the Construction Manager/General Contractor method is delivering on expectations for cost savings, efficiencies, better quality, or collaboration to solve problems
  - Compare the proposed SANDAG metrics for assessing Mid-Coast Corridor project performance to the performance metrics and practices used by Caltrans
  - Address recent survey comments related to possible schedule impacts from project activities in addition to the perceived higher value of change orders

<sup>1</sup> The [2018 Triennial Performance Audit](#)

<sup>2</sup> Update on [Implementation of Recommendations](#) as of March 2020

capacity and improving safety for vehicular travel.

## Local Street and Road

Measure road pavement condition, expand and include performance measurement of outcome data, and reevaluate 70/30 split for congestion relief, maintenance requirements, and bicycle and pedestrian accommodations.

- Gather and store documents to support “benefit” statistics tracked for the North Coast Corridor and the Mid-Coast Corridor
- Revisit the *TransNet* Extension Ordinance congestion-relief and maintenance split to be more relevant with local needs
- Continue to monitor compliance with SANDAG Board Policy No. 031, Rule 21, by:
  - Following up on the results from the Board Policy No. 031, Rule 21 evaluation conducted by SANDAG in 2014
    - Use results from Board Policy No. 031, Rule 21 review to make identified changes to the Ordinance definitions and follow up on areas of noncompliance noted during the review
    - Work with locals to determine a method to demonstrate compliance with Board Policy No. 031, Rule 21
    - Amend or establish a SANDAG Board Policy to require local jurisdictions to track and report on the number of bike and pedestrian facilities implemented using *TransNet* funds
  - Conducting another review of local projects and considering whether any adjustments are warranted in light of the SANDAG Complete Streets Policy

## Transit Services

SANDAG is the primary entity responsible for the *TransNet* Program; other entities cooperatively share responsibilities for managing and implementing projects and programs funded through *TransNet*.

- Work together with the region’s transit operators to analyze options offsetting the impact that subsidy disparities have on available funds for expanding transit services
- Continue to analyze major transit commute routes and services and report that commute times have improved or need improvement
- Regularly track and report on *TransNet* goals to increase services to seniors and persons with disabilities
- Collaborate with the operators to revisit the operating cost ceiling tied to changes in the Consumer Price Index

## Bike and Pedestrian Modes of Transportation

Expand the bike network countywide and finish high-priority projects within a decade. This initiative involves approximately 40 projects totaling 77 miles of new bikeways.

- Improve project-management practices and project delivery for the Bike Early Action Program projects by:
  - Finalizing and implementing the in-progress Regional Bikeway Program Management Plan
  - Using Dashboard data that tracks cause of delay to summarize lessons learned, identify and mitigate future preventable occurrences, and improve scheduled delivery of the remaining project
- Continue efforts to establish baseline data for bike and pedestrian volume to identify trends and set targets

## Environmental Mitigation Program

Advance project mitigation packages to facilitate and expedite Early Action Program project delivery. Make stronger efforts to communicate performance toward environmental goals.

- Establish a new Memorandum of Agreement with Caltrans, the California Department of Fish and Game, and the U.S. Fish and Wildlife Service
- Enhance the financing and use of *TransNet* funding for the Environmental Mitigation Program
  - Review and update Environmental Mitigation Program (EMP) cost estimates
  - Consider the most efficient use of available funding and possible adjustments (completed)
  - Revisit the established economic benefit methodology to ensure calculation accuracy (completed)
- Make changes, as appropriate, to marketing efforts for the local streets and road mitigation bank
- Measure progress in meeting specific and detailed EMP goals, objectives, and action items

## Information and Transparency

Increase visibility of the *TransNet* Program and its contribution to the region.

- Modify staff reports for SANDAG Board and other oversight committees
- Ensure that data on completed projects is maintained in the Dashboard
- Regularly report on implementation of *TransNet* Extension Ordinance goal
- Better link *TransNet* funding to project and program activities for general public awareness by:
  - More prominently featuring the *TransNet* logo on websites as well as other media
  - Revamping the SANDAG website to capture documents pertinent to *TransNet*