

TRANSPORTATION COMMITTEE

October 20, 2006

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

TRANSPORTATION COMMITTEE DISCUSSION AND ACTIONS MEETING OF OCTOBER 6, 2006

The meeting of the Transportation Committee was called to order by Chair Joe Kellejian (North County Coastal) at 9:05 a.m. See the attached attendance sheet for Transportation Committee member attendance.

Chair Kellejian stated that he would like to honor the memory of Joshua Morrison, the son of National City Vice Mayor Ron Morrison, and indicated that the meeting would be adjourned in his honor. He also asked for a moment of silence.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Councilmember Bob Emery (Metropolitan Transit System [MTS]) and a second by Councilmember Jerome Stocks (North County Transit District [NCTD]), the Transportation Committee approved the minutes from the September 1, 2006, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Don Stillwell, a member of the public, commented about the lack of timely connections between buses and trolleys at the Grantville Trolley Station and buses at Kaiser Hospital.

Chuck Lungerhausen, a member of the public, clarified his remarks in the September 1 meeting minutes. He is in favor of a new stadium at the Qualcomm site because the taxpayers of the county through the *TransNet* tax have made it possible for the Trolley to serve that location. How we pay for that new stadium is another question. He also mentioned that he recently filled out a survey form for SANDAG, but he didn't fill it out as favorably as he should have because he is frustrated by the amount of time it will take to get things done and the few amount of tax dollars spent on public transportation.

CONSENT ITEMS (3 through 4)

3. APPOINTMENT TO SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL (APPROVE)

SANDAG recently established the Social Services Transportation Advisory Council (SSTAC) to advise SANDAG on transportation issues for seniors, persons with disabilities, and persons of limited means. One of the SSTAC membership positions has been recently vacated. The Transportation Committee is asked to approve the appointment of Mr. Bob Prath to SSTAC as the representative of potential transit users who are 60 years of age or older.

4. BIENNIAL TRANSIT DEVELOPMENT REVIEW REPORT (INFORMATION)

This report summarizes the results of SANDAG's efforts to coordinate transit and land use through the project development review process during the period January through June 2006. SANDAG staff works closely with local jurisdictions to ensure the integration of transit facilities into development projects and to improve the pedestrian environment wherever possible. During the period, these efforts resulted in the inclusion of approximately \$531,600 in privately funded transit and pedestrian facilities.

Action: Upon a motion by Supervisor Bill Horn (County of San Diego) and a second by Councilmember Jim Madaffer (City of San Diego), the Transportation Committee approved Consent Items 3 and 4.

REPORTS (5 through 10)

5. FY 2008 FEDERAL TRANSPORTATION APPROPRIATIONS PROCESS AND CRITERIA (APPROVE)

Kim Kawada, Executive Program Manager, reported that each year we begin developing a regional list of high-priority transportation projects for the San Diego region. We then take this list back to Washington, D.C., to our legislative delegation in the February–March 2007 time frame. Recent history indicates that Congress is facing competing funding needs, overall appropriations in FY 2007 are down from the prior year, and there is earmark reform under discussion. She noted that there have been 70 percent fewer total earmarks in FY 2007 compared to FY 2006. She referred to Table 2 on page 2 of the report that summarized a history of annual appropriations from FY 2004 to FY 2007. Taking that into account we need to continue a regional process and evaluate projects for consideration during the FY 2008 appropriations process.

She noted that the criteria were listed on page 3 of the report. To be considered for the FY 2008 appropriations, projects proposed should meet a set of three eligibility criteria: (1) the project is in the Regional Transportation Plan (RTP), (2) the project has a nonfederal match, and (3) the requested funds can be obligated in FY 2008. If a project meets these criteria, then it will be reviewed according to five evaluation criteria, and if a project meets the evaluation criteria, it will be added to the list. If the process and criteria are approved by the Transportation Committee, project proponents would have two months to submit proposals. In January 2007, the list of recommended projects for the FY 2008 federal funding cycle would go back to the Transportation Committee and the Board for final review and approval. In the February–March 2007 time frame Board members and staff would go back to Washington, D.C., to submit our requests.

Ms. Kawada mentioned that in past years, we had a Congressional member on the House Appropriations Committee, and that situation has changed.

Councilmember Madaffer agreed with the criteria. He asked how many projects might meet the criteria and how many will not. Ms. Kawada said that most of the existing regional projects on the FY 2007 list are expected to meet the criteria. We have reviewed this process and proposed criteria with the Cities/County Transportation Advisory Committee (CTAC).

Councilmember Madaffer said that we need to make sure that projects promised to the region will meet these criteria, and asked what we are doing to ensure that. Ms. Kawada replied that all of the major regional projects will meet the criteria.

Councilmember Monroe asked how projects are prioritized once you go back to Washington, D.C. He was especially interested in State Route (SR) 905 and the third border crossing. Ms. Kawada replied that this is a comprehensive list, and that we segregate the projects into the different congressional districts. In terms of how they are ranked, that is part of the discussions with members of the congressional delegation.

Councilmember Monroe asked if this item will come back to the Transportation Committee and Board for further discussion and action. Chair Kellejian responded affirmatively, and said that will occur prior to Board members and staff going back to Washington, D.C. We need to determine the status of each of these projects and how they meet the criteria. He noted that the pending FY 2007 appropriations process only includes \$5 million in funding for regional projects, which is not a lot of money.

Action: Upon a motion by Mayor Lori Holt Pfeiler (North County Inland) and a second by Councilmember Madaffer, the Transportation Committee approved the recommended process and criteria for selecting transportation projects for the FY 2008 federal appropriations cycle.

6. INTERSTATE 15 BUS RAPID TRANSIT OPERATIONS CONCEPT (APPROVE)

Linda Culp, Senior Planner, reported that the Interstate 15 Managed Lanes/Bus Rapid Transit (I-15 ML/BRT) facility is a project in the *TransNet* Early Action Program that will provide a four-lane Managed Lane facility and five BRT stations with park-and-ride facilities connected by direct access ramps along the northern portion of the 20-mile corridor between SR 163 and SR 78. With the completion of the full I-15 ML facility in 2012, BRT service would be launched in the I-15 corridor between downtown San Diego and Escondido that would utilize the Managed Lanes and BRT stations in the northern part of the corridor. BRT stations along I-15 in Mid-City at El Cajon Boulevard and University Avenue also are included in this Early Action project.

During the past year, Caltrans, MTS, NCTD, and SANDAG have been working on an initial operations concept for BRT along the I-15 corridor. This will be the region's first BRT corridor. Aspects of this operation are frequent and reliable service, a connection into the community, real-time next bus information, other amenities at stations, next generation of vehicles, and smart card fare technology. This is the Initial concept and we still have a number of items to work on.

Ms. Culp stated that once these segments of Managed Lanes are open, BRT service would begin with existing bus routes using these lanes. We would then phase in improvements to full BRT service 2012. She reviewed the service plan from 2008-2012 and the projected ridership demand. The analysis of this demand showed a potential market within 2½ miles of the main corridor, predominant access to BRT is expected to be by automobile, and remote parking sites are limited. As a result, access should be focused at BRT stations, allowing for a high level of service, and additional parking capacity will be needed at stations. She noted that there also appears to be a significant amount of passenger demand from Riverside County.

Ms. Culp said that the operations concept for 2012 involves two types of BRT services: (1) an all-day core service between Escondido and downtown San Diego, serving all stations along the north ML/BRT facility along with transfer connections in Kearny Mesa and Mid-City, with 15-minute frequencies during the peak period and 30 minutes during the off-peak and on weekends; and (2) a series of peak-period BRT services design to provide limited-stop, point-to-point services for commuters headed to key job centers in downtown San Diego and Sorrento Mesa/University City. These peak-period services would operate southbound in the morning and northbound in the evening.

She reviewed two service concept options. Option 1 would focus the peak-period services on access to downtown San Diego using limited-stop routings, and Option 2 is similar to Option 1 except that instead of focusing solely on the downtown San Diego market, a peak-period service also would be initiated to serve the Sorrento Mesa/University City market. We would need to decrease service between Escondido and downtown San Diego from 10-minute frequencies to every 15 minutes to fund the extra Sorrento Mesa/University service under Option 2.

Ms. Culp indicated a number of issues that still need to be resolved including station amenities, BRT operations capital startup, BRT vehicles, BRT branding, station maintenance, and feeder bus services. She stated that the estimated annual operating and maintenance funds for 2012 total about \$9.7 million. On the capital side, there are about \$370 million in *TransNet* capital funds for stations, vehicles, and direct access ramps. She mentioned that items such as parking structures and a maintenance facility are not included in this amount. She also said that the BRT stations will look a little different when they first open up until 2012. She noted that staff is looking at opportunities for funding capital items through public/private partnership, joint ventures, and naming rights at stations.

Councilmember Madaffer asked for clarification on the timing of project implementation. Ms. Culp stated that the full BRT project is slated to open in 2012; however, between 2008 and 2012 we would be using the interim BRT stations to improve access to and operations of existing I-15 express bus services.

Ms. Culp said that staff will continue to evaluate parking structures and station designs over the next couple of months. She introduced Mr. Gustavo Dallarda, Caltrans I-15 Corridor Project Director, to answer questions.

Chair Kellejian noted that there were several requests to speak on this item as well as a letter from San Diego City Councilmember Brian Maienschein.

Khoa Nguyen, from Councilmember Maienschein's office, read a letter from Councilmember Maienschein into the record. Councilmember Maienschein's letter expressed concern about the delay in completing the full BRT stations at Sabre Springs and Rancho Bernardo until 2012. In addition, he thought that both stations were designed to accommodate parking structures and should be completed as scheduled. He wondered why this BRT operations concept was not completed five years ago. He encouraged the Transportation Committee to do what it could to prevent any further construction delays on these two stations.

Ms. Culp responded to those concerns by stating that in terms of the transit side we looked at the entire corridor as a functional corridor and that is the main reason for recommending starting the full BRT service in 2012 with completion of the I-15 Managed Lanes.

Chair Kellejian stated that because of the passage of the *TransNet* Extension (Proposition A) we have fast forwarded the southern and northern Managed Lane segments to make this system whole.

Mr. Dallarda added that the concept of the interim stations is not to throw away work. We cannot complete the design of the BRT stations without knowing how the service will work and the parking demand that needs to be accommodated.

Chair Kellejian clarified that there is a larger demand for parking at the BRT stations than we had originally estimated.

Supervisor Ron Roberts (County of San Diego) questioned the statement by Councilmember Maienschein that both the Rancho Bernardo and Sabre Springs were always designed to accommodate parking structures. He didn't think that was correct.

Ms. Culp agreed that only surface parking is in the current design for those stations.

Stephen Russell, City Heights Redevelopment Corporation, said that they have long been supporters of the I-15 BRT. The Mid-City BRT stations were designed 15 years ago. He agreed that anything done right is worth waiting for. He didn't see a commensurate increase in the operations budget for this service. He suggested that more money be included in the budget for operations and maintenance. He urged the Committee to consider how to integrate Mid-City operations as it further develops the BRT operations plan for the full I-15 corridor.

Robert Hoffman, a member of the public, observed that inbound buses on I-15 were empty and the outbound buses were full. He didn't understand that until he realized that the bus service does not provide the same service quality as driving. He thought the Committee should consider what it is trying to accomplish here. He compared the carrying capacity between buses and traffic lanes.

Chair Kellejian noted that we also received an e-mail comment from Doug Scott with regard to the branding of this service. Mr. Scott suggested that the BRT service be named "Centre City Express," "Centre City Flyer," or "Centre City Line."

Councilmember Emery said that we need to seriously consider Option 2 to the Sorrento Mesa/University area because of ridership projections. He expressed concerns related to the 40 percent farebox assumptions in *TransNet*, operational issues that remain to be addressed, including the maintenance of stations and security, the lack of adequate parking, feeder buses, and ticket machines. He said that there is a lot of planning for this kind of operation, and the ultimate operator of the BRT service will need to be included in the discussion of these items. The determination on who will be operating this service needs to be made quickly so that these items can be resolved.

Chair Kellejian said that the working group is suggesting we keep both Options 1 and 2. With regard to operations, there is some level of operating funding included in the *TransNet* Extension. Ms. Culp clarified that there also is \$1.5 million included for station maintenance. The initial estimates of the annual cost of station maintenance are more than \$2 million. She agreed that further detail on a variety of items is needed.

Chair Kellejian said that it has been envisioned that feeder service would come into the BRT centers. He asked if those services are funded, and who will operate them. Ms. Culp replied that that is on the to-do list of items to resolve. The funding for the existing Route 20 service could be redirected to fund the proposed all-day BRT service in the corridor, but then local bus service in the corridor will need to be addressed.

Supervisor Roberts expressed concern about trying to determine a vehicle at this point when the two service options have different service frequencies.

Supervisor Roberts reiterated that you have to figure out where you are going and the operating frequency before you can determine the operating costs and the type of vehicle that will be needed.

Supervisor Roberts it said that we didn't promise anyone trolley-like vehicles. The BRT vehicles we have seen may not provide the solution for this service. If you are going from Escondido to downtown San Diego you need an adequate number of seats for the passengers. We should focus on how best to provide the fundamental service in the corridor.

Councilmember Madaffer thanked Mr. Russell for his patience and his sensitivity to the entire route. He said that it sounds as if Councilmember Maienschein and the public were promised things different than what we have today.

Mr. Dallarda said that this project was not part of the original *TransNet* measure. The original Managed Lanes project included the construction of an 8-mile section of Managed Lanes and three stations in the middle segment of the corridor. However, the comprehensive BRT project was not fully funded. The north and south Managed Lanes segments also were not funded until the *TransNet* Extension passed and the SANDAG Board of Directors adopted the Early Action Program.

Councilmember Madaffer clarified that with the *TransNet* Extension we can do the whole corridor. He asked if whether we would have had to tear down facilities if we had completed only the middle segment and built the BRT stations at that time. Mr. Dallarda replied that the operation of the system would be significantly different for a single stand-alone segment versus the entire corridor.

Councilmember Madaffer clarified that what was promised is now going to be a lot more improved in 2012. Mr. Dallarda confirmed that statement.

Pedro Orso-Delgado, Caltrans District 11 Director, asked Mr. Dallarda to clarify what would be operating in 2008. Mr. Dallarda said that in 2008 we will be the operating the existing express bus service with some surface parking, but there would not be parking structures.

Councilmember Madaffer asked if the operators will have enough money to operate this system. Ms. Culp said that traditionally transit operators receive about \$1 million per year for operations from FasTrak revenues. Staff feels that we can operate the proposed BRT service within the four sources of existing funding: current I-15 bus operations funding, *TransNet*, FasTrak, and farebox revenues. We will further develop the operating cost estimates before we come back with a final operating plan.

Paul Jablonski, Chief Executive Officer (CEO) of MTS, said he didn't feel there is enough operating money. A large part of the new dollars will go to maintain the new stations. The farebox recovery ratio was assumed at 40 percent. He thought that was high and not conservative enough. He felt that there are not a lot of new dollars to operate new service.

Councilmember Madaffer commented on the branding issues contained on page 6 of the report. He agreed that we have to have comfort, cleanliness, and a unique identify. No one will ride if there the service is not attractive to use.

Motion Made

Councilmember Madaffer moved the staff recommendation with a caveat that we don't build new capital facilities only to tear them out later. Mayor Pfeiler seconded the motion.

Councilmember Dave Druker (North County Coastal) stated that Sorrento Valley, Sorrento Mesa, and University City are important underserved areas. These areas are where most of the employees are working, and the types of jobs in those areas attract choice transit riders. If we look at the COASTER, the station used by the greatest number of passengers is Sorrento Valley. With the completion of the middle ML segment, we could get people to Sorrento Valley by using SR 56 to I-5. He stated that we need service directly into Sorrento Valley. He also stated that choice transit riders want to drive their car, park, and then get on regional transit service. We should not be doing Option 1. We have to work on Option 2, and possibly consider a third option using SR 56 to provide BRT service to Sorrento Valley as soon as the middle segment is opened. If there is direct service to Sorrento Valley, people will use it.

Councilmember Toni Atkins (City of San Diego) agreed with Councilmember Druker's comments about the need to serve the Sorrento Valley area. She agreed with various comments from Committee members with regard the need to address operations, vehicles, and branding. She was a little concerned that we appear to be overly optimistic about the ridership numbers.

Councilmember Atkins noted that SANDAG and Caltrans have invested major dollars in the Mid-City transit plazas, and now we may have a problem with operating the BRT service in the median and using those transit plazas. We need to remember the Mid-City area. She liked Option 2. She wanted to make sure we are doing this project the right way in terms of operations, funding, and maintenance.

Mayor Pfeiler supported the comments in favor of Option 2. She asked about private sector partnerships for station amenities. Ms. Culp said that the idea is that we should be open to considering joint ventures to fund the capital or possibly the maintenance needs for what the BRT stations.

Councilmember Monroe asked about the process for determining who will operate this service. Ms. Culp said that it will be a joint decision of all of the involved parties, including SANDAG and the transit agencies. The next step is to get the agency CEOs back together to discuss it.

Councilmember Monroe said that this decision needs to be made quickly. He wasn't sure that SANDAG is the right forum to develop the business plan for the BRT service. He noted that he didn't think anyone would choose Option 1 over Option 2. He thought that Option 1 should be eliminated today.

Diane Eidam, Chief Deputy Executive Director, recognized on the part of SANDAG management that the decision needs to be made in short order, and we will be moving forward. She emphasized the importance of the transit agencies working together and drawing on the expertise of the appropriate staff to make this decision.

Supervisor Roberts said that if you go with Option 2 that will affect the ridership figures. We need a workable Option 2 with solid numbers to determine demand, vehicles, and operating expenses.

Ms. Culp said that the reason to keep both options is that initial cost estimates indicate that Option 2 may be more expensive. It also is not an Early Action project, which means that capital funding to provide transit priority improvements are not readily available.

Mr. Orso-Delgado said we will go back, look at the numbers, and come back with a viable option.

Councilmember Jerry Rindone (South County) stated that it is very challenging to try to provide new transit service to underserved areas, because there are large expenses on both the capital and operating sides that need to be addressed. He agreed that we need to provide service to the Sorrento Valley area. We should direct staff to go back and look at Option 2 and refine the numbers. He suggested a substitute motion to direct staff to look develop detailed estimates of capital and operating costs for Option 2.

Councilmember Madaffer said that included in his motion was direction for staff to review the capital and operating costs for both Options 1 and 2.

Substitute Motion

Councilmember Monroe moved the substitute motion to focus on Option 2 and eliminate Option 1 from further study. Councilmember Emery seconded the substitute motion.

Councilmember Madaffer reiterated that the motion he made includes directing staff to refine the cost to operate this service and the cost of capital for the equipment. He asked about the timing of a report back. Ms. Eidam replied that staff could report back within a 90-day period with that level of detail. With regard to eliminating an option, we have received the Committee's input, and it's clear that Option 2 is the preference. However, providing information about both Options 1 and 2 would be helpful to the Committee in making a decision.

Councilmember Druker commented that looking at operations is more important than station design at this point.

Councilmember Monroe asked about the timing of a decision for an operator for this service. Ms. Eidam said she hoped that would be done within those 90 days.

Councilmember Stocks expressed support for the substitute motion. He agreed that with the growth in high technology jobs in Sorrento Valley, and we cannot bypass that area. Staff should focus on appropriate level of service and what it would take to provide service to that area.

Mayor Pfeiler said she will support the original motion. She agreed and understood the comments about Option 2; however, the first motion does not prohibit the direction included in the substitute motion.

Supervisor Horn said that when the new SPRINTER service begins, NCTD will have to change all of its bus routes to coordinate with and provide connections to the SPRINTER. MTS will need to figure out how to reconfigure its existing services to connect to the new I-15 BRT service. We have to figure out how to provide feeder service to this line. We need to do that now. You are talking about a whole new service area, and NCTD does not have an operating budget to handle that.

Harry Mathis, MTS Chairman, said that MTS cannot afford to operate this new service.

Councilmember Madaffer said he understood the spirit of the substitute motion, but spoke against it. If the substitute motion fails, he would include a deadline of January 2007 for staff to report back.

Chair Kellejian asked for a vote on the substitute motion to approve Option 2, eliminate Option 1, and direct staff to report back with refined capital and operating numbers. The vote was four in support (Emery, Horn, Monroe, and Stocks) and four in opposition (Sessom, Pfeiler, Madaffer, and Kellejian); the motion failed.

Chair Kellejian asked for a vote on the original motion with the addition of the following caveat: staff will come back in January 2007 with those issues identified in the substitute motion.

Action: Upon a motion by Councilmember Madaffer and a second by Mayor Pfeiler, the Transportation Committee approved the initial I-15 BRT operating concept that includes: (1) using interim BRT stations between 2008 and 2012 to improve access to and operations of existing I-15 transit services; and (2) launching full BRT services in 2012 concurrent with completion of the north I-15 Managed Lanes/BRT facilities; and to direct staff to report back by January 2007 with capital and operating cost estimates for Options 1 and 2. The vote was 7-1 in favor. (Councilmember Stocks voted in opposition.)

7. PROPOSED CHANGES TO FasTrak™ PROGRAM AND AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING WITH MTS FOR I-15 TRANSIT SERVICES (RECOMMEND)

Ms. Culp reported that this item relates to proposed changes to the FasTrak program and includes a Memorandum of Understanding (MOU) with MTS to incorporate the changes, if approved by the SANDAG Board of Directors. Ms. Culp explained that FasTrak is an automated road pricing program that began in 1998 and provides solo drivers access to carpool lanes for a fee. It was the first project of its kind, and it sets fees dynamically to keep traffic free flowing. The original fee structure approved by SANDAG in 1997 established a minimum (\$0.50) and a maximum (\$8.00) per-trip fee. The purpose of the program is to increase the use of existing underutilized carpool lanes, use toll revenues to fund transit improvements in the

corridor, to relieve mainline congestion, and improve travel choices in the corridor. She reviewed the existing I-15 corridor transit services, which include the Inland Breeze, commuter and local express services, and a restructuring based on the MTS Comprehensive Operations Analysis. The services in the 2008-2011 time frame will include the existing services to take advantage of the ML/BRT facilities, and those in 2012 will be full BRT service.

Derek Toups, Associate Planner, stated that recently changes in the I-15 corridor included the construction of the I-15 Managed Lanes and the opening of SR 56. These changes have resulted in a substantial reduction in traffic on I-15 south of SR 56. He noted that I-15 Express Lanes traffic has decline 30 percent between 2004 and 2006. While revenues are falling, program costs continue to rise. We will need to replace the electronic toll collection system as it has exceeded its original design life. In addition, the cost of enforcement by the California Highway Patrol (CHP) has risen steadily.

He said that business considerations are to remain in parity with other FasTrak toll roads and bridges. Two other toll authorities in Orange County charge an account maintenance fee. In 2007, the South Bay Expressway will open in eastern Chula Vista, and it also will require a minimum monthly fee. We are forecasting a net revenue loss this year and in FY 2008. We have had to use operating reserves to cover existing financial commitments. He reviewed two alternatives to raise additional toll revenues for this program: charge a minimum monthly account fee, and raise the minimum toll rate.

Marney Cox, Chief Economist, said that staff evaluated the customer's sensitivity to price changes to determine the recommended approach to reduce the level of program revenue losses. We have lots of information about what customers are willing to pay at various toll rate levels. Related to the first proposed change, a monthly account fee, there are monthly minimum account fees being charged in other areas, yet we don't charge a fee here. As these toll roads become more prevalent, the use of the FasTrak transponders will likely increase over time, and if our account fees are substantially different than other areas, we will bear to cost to support customers who do not use our facilities. The current cost to maintain an I-15 FasTrak account \$3.23 a month, which averages about 15 cents per transaction. In order to encourage the use of the lane, we would waive the monthly account fee once the user got to \$10 in tolls. There are about 1.1 million transactions today, and we would lose 123,000 transactions by charging the fee. However, we would gain about \$489,000 in revenue by charging the monthly fee.

Mr. Cox continued by saying that to evaluate the effects of the second change, raising the minimum toll rate, we looked at tolls charged throughout the state of California. Our minimum I-15 toll equates to \$0.06 cents per toll road mile; other areas charge \$0.10 to \$0.30 per toll road mile. It didn't appear that customers would be sensitive to an increase in the minimum toll to \$1.25. We analyzed how many transactions we would lose with that increase and estimate that the number of transaction lost would be about 195,806, or 18 percent. We would gain \$52,000 in revenue with this increase. With the two recommend changes in FasTrak fees, we would gain increased revenue of a little more than \$500,000. Mr. Cox noted that one of the original program objectives is to fund transit services in the corridor.

Mr. Toups summarized the proposed changes and expected outcomes. If these changes are approved by the Board of Directors, we would report back to the Transportation Committee in spring 2007 on the results of these actions. If approved, these changes would take effect on November 1, 2006.

Councilmember Madaffer said that just because other areas charge a fee doesn't mean we should. He wondered why we can't charge Riverside and Orange County users for buying transponders in San Diego. Mr. Toups replied that there is a statewide interoperability standard that a transponder can be used throughout the state.

Councilmember Madaffer suggested that we adopt a policy that a transponder fee is paid by residents living out of San Diego County. Mr. Toups stated that 5 percent to 10 percent of our customers are from outside San Diego County.

Councilmember Madaffer thought that increasing these fees would be a disincentive to people who to use these lanes. He didn't think you would build goodwill by increasing fees.

Chair Kellejian clarified that you can buy the transponder in other areas around the state and use it in the San Diego area. Mr. Toups agreed with that statement and added that the monthly account fee proposed is an inactivity fee.

Ms. Culp said that the critical question is what we do about funding this program after this year.

Mr. Cox commented that we are in the process of developing a longer toll road in the I-15 corridor in the future. We are in charge of using the public assets in a businesslike manner. We have been underestimating the value of the transportation system and how we charge for it. Private business understands this. In terms of a long-term plan, we should serve the customer base, but the customers also should pay for the value of service that is provided.

Chair Kellejian said that right now the average cost to maintain the FasTrak account is \$3.23 per month. We are not charging for that.

Mr. Cox said current program account policies have led to 10,000 transponders not being used. However, it is costing SANDAG to administer the program and purchase and maintain the transponders.

Councilmember Emery said that this topic is of interest to whoever operates the ultimate BRT service in the I-15 corridor. The \$500,000 in FY 2008 would be of great import to whoever operates transit service on I-15. For that reason the fee increases are necessary. We cannot continue in San Diego County to always get something for nothing. We are setting ourselves up for a losing situation if we don't put in place the recommended actions. He was not swayed by what other agencies are charging.

Mayor Pfeiler stated that we need to have a level playing field and charge a flat fee. If you are a San Diego resident and you use the lanes and pay at least \$10 a month in tolls, then you would not have to pay the fee. She supported that. She asked for information on the users of this system and the number of transactions per user.

Mr. Toups said that in June 2005 and May 2006 we did an extensive analysis of the number of transactions and found that 50 percent of the transactions, or about 10,000 users made less than 10 FasTrak trips and spent less than \$25 per year. These are our infrequent users. We also found that 1,500 users or 10 percent of our customer generated the majority of the transactions. The proposed fee structure is to motivate those who are not using the transponder either to close the account, or start using it.

Mayor Pfeiler asked if we did an analysis of the impact of this change on the regular, frequent users. Mr. Toups said that the majority of our regular users drive during the peak periods and during that time the fee generally runs about \$2.00, so they would not be affected by the increase in the minimum toll rate to \$1.25.

Mr. Cox reiterated that most drivers are paying \$2 today and the minimum is \$1.25 so they wouldn't be impacted. If the analysis regarding the fee is correct, we would lose about 107,000 transactions.

Councilmember Stocks asked if we looked at changing our mode of operations to an absolute fixed amount for peak and off-peak periods. Mr. Toups replied negatively as the dynamic pricing is the primary reason why the high-occupancy-toll (HOT) lanes have been effective. He said that 20 other states are moving to implement similar programs.

Councilmember Stocks clarified that carpools (two or more people in a car) or motorcycles do not pay a fee to use the Express Lanes. Mr. Toups said that was correct.

Councilmember Stocks said that this program allow solo drivers to buy their way into using the Express Lanes. He wondered why we didn't charge account fees from the beginning of this program.

Supervisor Horn asked if other areas waive the account fees above a certain amount. Mr. Toups replied affirmatively and said the amount varies by toll agency.

Supervisor Horn asked if SANDAG has the traffic counts after SR 56 was opened. Mr. Toups said that staff is working with Caltrans to obtain that data.

Supervisor Horn said he didn't think we should have free accounts.

Councilmember Monroe asked if the two actions could be separated out. He also asked about whether other minimum toll levels were evaluated.

Mr. Cox stated that our sensitivity analysis indicated what the losses would be for each 25 cent increase in toll amounts. The \$1.25 was a toll that would maximize the amount of revenue being brought in while minimizing the loss in transactions.

Ms. Culp explained that we need the two changes to be approved together to provide the recommended level of transit funding to MTS.

Action: Upon a motion by Councilmember Emery and a second by Mayor Mary Sessom (San Diego County Regional Airport Authority), the Transportation Committee recommended that the SANDAG Board of Directors: (1) approve Resolution No. 2007-08, concerning the updated FasTrak Value Pricing Policy for the I-15 corridor; and (2) authorize the Executive Director to execute an Amended and Restated Memorandum of Understanding and Fund Transfer Agreement with the Metropolitan Transit System, in order to continue to support I-15 corridor transit services beginning in FY 2007. The vote on this item was 7-1 in favor, with Councilmember Madaffer voting in opposition.

8. FY 2006 JOBS ACCESS AND REVERSE COMMUTE/NEW FREEDOM FUNDING PROCESS (APPROVE)

Dan Levy, Senior Planner, reported that the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), passed by Congress in 2005, extended the Jobs Access and Reverse Commute (JARC) funding program and created a new funding program called New Freedom. JARC funds can be used for capital or operating costs for services designed to provide transit service to job sites for persons of limited means. New Freedom funds may be used to provide capital and operating funds for transit service for persons with disabilities. SANDAG is the designated recipient and must comply with certain federal requirements to allocate these formula funds, including preparing a Coordinated Public Transit and Human Service Transportation Plan and developing and managing an annual competitive process to grant funds to eligible agencies. Due to the delay at the federal level in developing guidance for implementation for the two funding programs, the rules that govern the grant process for FY 2006 are different from those that will apply in subsequent years. Funds for FY 2006 may be granted without the Coordinated Public Transit and Human Service Transportation Plan. To receive funding from these two programs from FY 2007 and beyond, projects and services must be included in this plan.

Mr. Levy said that in FY 2006 there is \$1.4 million available under JARC and \$672,000 under the New Freedom program. If approved, the competitive process would start within the month. He reviewed the type of projects eligible for each of these programs. He noted that the proposed scoring criteria to evaluate and rate project applications are: project needs/goals and objectives, implementation plan, project budget, geographic diversity, coordination and program outreach, program effectiveness and performance indicators, and innovation. These are consistent with federal guidelines for the two funding programs.

Councilmember Stocks said that Caltrans is responsible for the small urban and rural areas but he didn't see any definition of those areas. Mr. Levy referred to a map in the presentation that showed the eligible areas; however, he noted there are no small urbanized areas in San Diego.

Councilmember Monroe asked if this has anything to do with Full Access Coordinate Transportation (FACT). Ms. Eidam responded that FACT can compete for these funds.

Action: Upon a motion by Chair Kellejian and a second by Councilmember Stocks, the Transportation Committee approved: (1) holding an open, competitive process during fall 2006 to seek projects eligible for funding under Federal Transit Administration JARC and New Freedom funding programs; and (2) prioritizing eligible projects using the scoring criteria contained in Attachment 3 of this agenda report.

9. TRANSIT CAPITAL PROJECT BUDGET TRANSFERS (APPROVE)

Jim Linthicum, Division Director of Engineering, said that MTS wishes to install closed-circuit television (CCTV) to improve security at three trolley stations in Chula Vista: Bayfront/E Street, H Street, and Palomar Street. To accomplish this, it is proposed that money be transferred from five Chula Vista Transit (CVT) projects. Funds also will come from Project No. 6, Miscellaneous Capital Funds. MTS approved this action at its September 14 Board meeting.

Action: Upon a motion by Supervisor Horn and a second by Councilmember Atkins, the Transportation Committee approved budget transfers for seven capital projects: (1) CVT Miscellaneous Operation Capital FY 2004; (2) CVT Miscellaneous Operation Capital FY 2005; (3) CVT Americans with Disabilities Act (ADA) Bus Stop Improvements; (4) CVT Security Cameras; (5) CVT Forklift; (6) MTS Regional Miscellaneous Capital FY 2006; and (7) CCTV Surveillance Equipment. .

10. FREEWAY TRANSIT LANE DEMONSTRATION PROJECT STATUS REPORT (INFORMATION)

Dave Schumacher, Principal Planner, stated that the intent of this program was to gain operational experience with converting freeway shoulders to transit lanes as a low-speed priority. This has been a cooperative effort between SANDAG, MTS, Caltrans, and the CHP. It is a one-year program and we have had great success during the first six months. MTS Route 960 was the route involved in this demonstration. He showed a quick video to demonstrate the program. Mr. Schumacher noted that congestion levels on SR 52 and I-805 vary considerably. During times of heavy congestion, the bus was able to get to its destination 5 minutes before someone using the general purpose lanes.

Mr. Schumacher reviewed the program's key objectives including safety, bus travel time/reliability, freeway level of service/maintenance, freeway shoulder structural needs, and perceptions. He noted that no accidents have occurred, and there have been no maintenance issues. Travel time reliability for Route 960 was 99 percent on time with up to 5 minutes travel time savings. There was no change in the freeway levels of service.

Mr. Schumacher said that MTS has noted there is debris that collects in the freeway shoulder areas and we may need additional maintenance to remove that debris in a timely manner. However, there was no impact on the wear of the shoulder lanes.

Mr. Schumacher said surveys before the program and at the six-month mark indicate that bus drivers and passengers were encouraged by the operation. The passengers are happy with the travel time savings. We will continue to monitor the program. There will be a final report after the full year of demonstration. We are already discussing how best to work with Caltrans and CHP on legislative changes to make this a permanent program. We will be working with NCTD and MTS staffs on identifying other corridors where this concept could be applied.

Chair Kellejian clarified that there is an MOU that allows us to conduct this demonstration program. He asked if staff is working towards amending the current MOU to continue this program. Mr. Schumacher replied affirmatively.

Councilmember Stocks said he liked Councilmember Druker's idea of using SR 56 for BRT, and this demonstration program shows how buses could use transit shoulder lanes as priority measures to get into the Sorrento Valley area.

Chair Kellejian noted that there was one request to speak on this item.

Robert Hoffman, a member of the public, said that buses hold up well on surface streets on sunny days, but expressed concern about potholes when it rains and how that will affect this operation.

Councilmember Druker asked when staff will come back with more areas to apply this program. Mr. Schumacher answered that staff will come back with a list of other potential areas along with the results of the one-year demonstration. We are in the process of working with MTS and NCTD staffs to identify other areas.

Mr. Orso-Delgado said that as far as we can tell this demonstration project is working very well. We need to meet with Commissioner Mike Brown at CHP Headquarters to ensure his support whenever we try to obtain state legislation to make this a permanent program.

Action: This item was presented for information.

11. UPCOMING MEETINGS

The next meeting of the Transportation Committee is scheduled for Friday, October 20, 2006, at 9 a.m.

12. ADJOURNMENT

Chair Kellejian adjourned the meeting at 11:44 a.m. in memory of Joshua Morrison.

Attachment: Attendance Sheet

**CONFIRMED ATTENDANCE
SANDAG TRANSPORTATION COMMITTEE MEETING
OCTOBER 6, 2006**

GEOGRAPHICAL AREA/ ORGANIZATION	JURISDICTION	NAME	MEMBER/ ALTERNATE	ATTENDING
North County Coastal	City of Solana Beach	Joe Kellejian (Chair)	Member	Yes
	City of Del Mar	David Druker	Alternate	Yes
North County Inland	City of Escondido	Lori Holt Pfeiler	Member	Yes
	City of Vista	Bob Campbell	Alternate	No
East County	City of Santee	Jack Dale	Member	No
	City of La Mesa	Art Madrid	Alternate	No
South County	City of Coronado	Phil Monroe	Member	Yes
	City of Chula Vista	Jerry Rindone	Alternate	Yes
City of San Diego	----	Jim Madaffer	Member	Yes
	----	Toni Atkins	Alternate	Yes
	----	Jerry Sanders	Alternate	No
County of San Diego	----	Bill Horn	Member	Yes
	----	Ron Roberts	Alternate	Yes
	----	Greg Cox	Alternate	No
Metropolitan Transit System	City of Poway	Bob Emery	Member	Yes
	MTS	Harry Mathis	Alternate	Yes
North County Transit District	City of Encinitas	Jerome Stocks	Member	Yes
	City of Carlsbad	Norine Sigafoose	Alternate	No
	City of Solana Beach	Lesa Heebner	Alternate	No
San Diego County Regional Airport Authority	City of Lemon Grove	Mary Sessom	Member	Yes
	Governor's Appointee	Xema Jacobson	Alternate	No
ADVISORY/LIAISON Caltrans	----	Pedro Orso-Delgado	Member	Yes
	---	Bill Figge	Alternate	Yes
Regional Planning Stakeholders Working Group	---	Sandor Shapery	Member	No