

TRANSPORTATION COMMITTEE

June 15, 2007

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

TRANSPORTATION COMMITTEE DISCUSSION AND ACTIONS MEETING OF JUNE 1, 2007

The meeting of the Transportation Committee was called to order by Chair Jim Madaffer (City of San Diego) at 9:35 a.m. See the attached attendance sheet for Transportation Committee member attendance.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Supervisor Ron Roberts (Chairman, County Board of Supervisors) and a second by Bob Emery (Chair Pro Tem, Metropolitan Transit System [MTS]) the Transportation Committee approved the minutes from the May 18, 2007, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Jim Schmidt, a member of the public, commented that a public/private partnership is necessary to build the proposed State Route (SR) 11 toll road similar to the SR 125 project. A partnership would expedite the process and lower costs.

Chuck Lungerhausen, a member of the public, read from his letter to the editor in the *San Diego Union-Tribune* and provided the Committee with a copy of the letter. Mr. Lungerhausen commented that utilizing only low-floor trains is the method to improve congestion and operations on the trolley. Low-floor trains improve the speed of boarding and debarking passengers. Replacement of old trolley cars with all low-floor cars is a better option than refurbishing the old cars.

Clive Richard, a member of the public, agreed with Mr. Lungerhausen's comments. Mr. Richard also expressed his desire to be informed regarding the status of implementation of Smart Card technology and the Smart Corner project.

Gary Gallegos, Executive Director, commented that the Smart Corner project would be completed in July of this year, and the Smart Card was currently in the staff testing phase of implementation. In the fall, the Smart Card will be issued to select transit riders for testing with full implementation expected within the next year.

Chair Madaffer informed the public that the next SR 905 Strike Team meeting would be held at 8:30 a.m. prior to the June 15, 2007, Transportation Committee meeting.

Chair Madaffer commented that the members had requested that staff prepare a report with a comprehensive list of funding sources to present at the next Transportation Committee meeting. Due to impacts from *TransNet* and the Transportation Development Act (TDA) growth rate, the state budget situation, and other negotiations at the state level, staff will bring the item to a meeting in September when there will be a better understanding of these impacts to funding sources.

CONSENT ITEMS

3. TRANSPORTATION DEVELOPMENT ACT ARTICLE 3.0 CLAIM AMENDMENTS: CITIES OF CHULA VISTA, CORONADO, ENCINITAS, AND POWAY (APPROVE)

The cities of Chula Vista, Coronado, Encinitas, and Poway have indicated that construction was completed on various bicycle and pedestrian projects. Unexpended Transportation Development Act (TDA) funds from these projects remain, and the allocations for these TDA claims must be reduced. The Transportation Committee is asked to approve Resolution No. 2007-25.

4. AUGUST TRANSIT SERVICE CHANGES (INFORMATION)

This is an information item reporting on the planned North County Transit District (NCTD) service changes for August 2007.

Action: Upon a motion by Mayor Lori Holt Pfeiler (North County Inland) and a second by Supervisor Roberts, the Transportation Committee approved Consent Items 3 and 4, including Resolution No. 2007-25.

REPORTS

5. INTERSTATE 15 MANAGED LANES CORRIDOR UPDATE (RECOMMEND)

The Interstate 15 Managed Lanes/Bus Rapid Transit (I-15 ML/BRT) project features include 20 miles of new managed lanes, operational improvements, implementation of the region's first BRT service, and expansion of the existing FasTrak® system. Due to construction price escalation over previously assumed escalation rates, there is a need for a \$37.7 million budget increase to the I-15 ML/BRT project. This would increase the budget from \$1.25 billion to \$1.29 billion.

Gustavo Dallarda, Corridor Director, Caltrans, presented a brief description of the three segments of the project, the current status of each segment, and the proposed completion dates.

The middle segment is currently under construction. The bridge at SR 56 and Ted Williams Parkway is expected to be completed this summer. The Carmel Mountain Road overcrossing is expected to be complete in June. The managed lanes section north of Bernardo Center

Drive is expected to be complete by the end of this month. Completion of the second bridge at Green Valley Creek and Lake Hodges is expected by the end of the year.

The north segment is divided into two projects. The design on the 9th Avenue to SR 78 portion is at 60 percent complete and plans for the Washington Street Bridge have been submitted for review. The current budget reflects a \$30 million increase due to escalation. The south segment design phase is currently underway and construction is expected to begin early next year. The managed lanes portion of the south segment is fully funded with a \$350 million contribution from the Corridor Mobility Improvement Account (CMIA).

The BRT stations are in the design phase and environmental studies are expected to begin in the next six months. Construction of interim stations is expected to begin this summer. The southern BRT stations are currently in the planning stage and will be presented at a future meeting.

The budget for these projects has been subjected to a much higher rate of escalation than estimated, as well as higher construction costs. Mr. Dallarda presented three proposed options for funding of the project increase and the pros and cons for each option. Option A fully funds the project with an increase of \$37.7 million; Option B defers \$23 million of improvements; and Option C defers the entire \$37.7 million of improvements. Further escalation of these deferred costs under Options B and C could potentially increase 50 percent or more over the next few years.

Supervisor Roberts requested staff to clarify whether the proposed \$37.7 million increase includes an estimate of increased costs over the life of the project or if the Committee would need to revisit this number each year. Mr. Dallarda responded that the estimate includes a cost increase of 3.6 percent each year. The estimate of escalation covers the entire construction period.

Supervisor Roberts expressed concern about the estimated percent escalation per year over the life of the project when costs are expected to continue above that level. Mr. Dallarda replied that it is reasonably expected that the escalation would fluctuate over the next few years and staff is using an average calculation of 3.6 percent.

Chair Madaffer asked what the actual estimated increase could be over the next year. Mr. Dallarda answered that the estimated increase annually would be 20 percent.

Discussion ensued among Committee members and staff regarding the escalation estimates for the project, what degree of fluctuation could be reasonably expected over the life of the project, the validity of the proposed \$37.7 million dollar increase, and the impact of funding other projects if the Committee approved the \$37.7 million increase for this project.

Mr. Gallegos suggested that staff review the estimates for cost increases at the highest and lowest points, how each level of funding would affect the project, and bring that information back to the Committee at its next meeting.

Chair Madaffer stated that he would prefer a vote on the project as presented to the Committee as long as staff has built in a level of contingency to balance the estimated escalation.

Mr. Dallarda stated that the project has a 10 percent contingency in addition to the 3.6 percent escalation factor.

Supervisor Roberts stated that he would like staff to bring the item back at the June 15 meeting with a more detailed cost estimate and prediction of future costs and budget increase needs.

Marney Cox, Chief Economist, stated that staff discussed the potential cost increases with other agencies. Construction costs and the high rate of growth are the two factors impacting the higher costs. Staff estimates the rate of growth will slow and construction costs will level off over the life of the project, thus balancing the escalation.

Discussion ensued among Committee members and staff regarding the impact on the project budget due to the fluctuation in rate of growth, construction costs, contingency costs and escalation estimates for the project.

Mayor Holt Pfeiler requested that the Committee take action on the item as proposed with the reflected cost increase of \$37.7 million, and to direct staff to review the cost increases and return to the Committee at the June 15 meeting with an in-depth analysis on the escalation numbers for Committee action on an increase or decrease to the budget.

Supervisor Roberts concurred with Mayor Holt Pfeiler's request.

Kathy Keehan, Executive Director, San Diego County Bicycle Coalition, requested clarification on the 27 percent increase for the project and asked from what account the funding for the proposed increase was identified. Mr. Dallarda confirmed that the 27 percent increase was for the entire project. Mr. Gallegos stated that the funds would come from *TransNet*. The CMIA funds for this project allowed SANDAG to move the \$350 million of *TransNet* funds to other projects and to fund the \$37.7 million increase to this project.

Jay Powell, City Heights Community Development Corporation, commented on the implications of escalation to the project budget and the impact on the center line BRT in the Early Action Program. He stated that starting construction now on a viable project makes sense and completing construction of the center line is essential to transit operations. Mr. Powell invited the members and the public to a celebration in City Heights at 10:30 a.m. Saturday, June 2, 2007, near the City Heights Transit Plaza.

Action: Upon a motion by Mayor Holt Pfeiler and a second by Councilmember Jerry Kern (North County Coastal), the Transportation Committee recommended that the SANDAG Board of Directors approve a \$37.7 million budget increase to the I-15 ML/BRT project increasing the budget from \$1.25 billion to \$1.29 billion, and directed staff to return at the June 15 meeting with an analysis on the escalation factors with potential action to modify the budget based on those estimates.

6. REGIONAL ARTERIAL SYSTEM UPDATE: PROPOSED MODIFICATIONS (ACCEPT)

Heather Werdick, Senior Regional Planner, presented the recommended modifications to the Regional Arterial System (RAS.) The RAS constitutes that part of the local streets and road network which, in conjunction with the system of highways and transit services, provides for mobility throughout the region. The RAS is updated in conjunction with the 2007 Regional Transportation Plan (RTP). Staff received recommendations from eight of the 18 member agencies. Staff reviewed the submitted modifications and after concurrence of the modifications, recommended 86 arterials are added or modified to the RAS. In October 2006, the Transportation Committee reviewed the screening criteria and approved the updated process for the RAS. The improvements to the RAS are funded with the *TransNet* Regional Transportation Congestion Improvement Program (RTCIP) which will generate a \$2,071 fee per new dwelling unit.

Councilmember Phil Monroe (South County) asked staff to clarify why Highway 282 in Coronado was not recommended for inclusion in the RAS improvements and Highway 75 was included. Ms. Werdick stated that although Highway 282 met the capacity and transit criteria, it is classified as a state highway and is already included in the highway network. Highway 75 is specifically written into the *TransNet* Ordinance and thus qualifies for this program. Mr. Gallegos further clarified that Highway 282 improvements could be accomplished under *TransNet* as a highway improvement project.

Chair Madaffer requested that staff research the use of *TransNet* funds for highway and arterial improvement projects and, after the meeting, provide clarification for use of these funds to improve Highway 282. If Highway 282 could qualify for the RAS program based upon this clarification, the Committee would add it to the list of proposed modifications to the RAS.

Chair Pro Tem Emery requested the same clarification regarding Highway 67.

Ms. Werdick confirmed that Highway 67 is a state highway and also that the County did not submit Highway 67 as a modification to the RAS.

Chair Pro Tem Emery stated that Highway 67 is a critical part of the arterial system and is utilized more as a city street or an arterial. The criteria for inclusion in the RAS should reflect this so that it has the same status as other state highways under this program.

Mr. Gallegos further clarified that the state highway system is separate from the local arterial system and state highways have a higher priority. Highway 75 is the only state highway included in the RAS due to its inclusion in the *TransNet* Ordinance.

Chair Madaffer stated that Theresa Quiroz, a member of the public, submitted a speaker slip to register her approval of the item, but did not request to speak.

Jim Varnador, a member of the public, stated his support and recommended the Committee accept the staff recommendation on the item. He stated his approval with Euclid Avenue and Home Avenue not being recommended for inclusion in the RAS.

Action: Upon a motion by Mayor Holt Pfeiler and a second by Deputy Mayor Jerry Rindone (South County), the Transportation Committee accepted the revised Regional Arterial System for use in the Draft 2007 Regional Transportation Plan.

7. ADJOURNMENT

Chair Madaffer adjourned the Transportation Committee meeting at 10:55 a.m.

**JOINT TRANSPORTATION COMMITTEE AND REGIONAL PLANNING
COMMITTEE DISCUSSION AND ACTIONS
MEETING OF JUNE 1, 2007**

The joint meeting of the Transportation Committee and the Regional Planning Committee was convened by Chair Madaffer and Chair Jerry Jones (East County) at 11:05 a.m.

REPORTS

D. DRAFT 2007 REGIONAL ECONOMIC PROSPERITY STRATEGY (INFORMATION)

Councilmember Monroe introduced this item. As Co-chair of the Regional Economic Evaluation and Prosperity Strategy Advisory Working Group (Advisory Group), he and the committee studied regional and national data, and from that compiled the two-volume report *Preparing for Regional and Global Collaboration*. The report defines strategic goals, recommended actions, identifies public policies and infrastructure investments, and proposes responsible agencies and organizations. The document endorses some politically sensitive recommendations such as free trade, the need for transmission line in energy, stepped-up action in water reformation, and nuclear energy as a source of future energy supply. Councilmember Monroe urged Committee members to read the report.

Chair Madaffer recognized that Charlene Zettel, San Diego County Regional Airport Authority, was present and stated that she would be appointed as the alternate from the Airport Authority to the Transportation Committee.

Mr. Cox provided an overview of the 2007 draft Regional Economic Prosperity Strategy (Strategy). The Strategy is an element of SANDAG's Regional Comprehensive Plan (RCP). Previous strategies tracked San Diego's progress through the economic restructuring of the mid- to late-1990s. The 2007 Draft Regional Prosperity Strategy focuses on defining and analyzing the region's current challenges and outlining strategies to improve San Diego's economic performance.

The strategy focuses on benchmark results from the study of state and national trends in 25 comparable regions. After analysis of the observations and data, the Advisory Group developed the Strategy which is organized in four indicator areas: social and economic performance, business vitality, resources for economic growth, and infrastructure capacity.

Focus for the San Diego region is to slow the cost-of-living rate and increase the rate of wage growth. Mr. Cox presented factors affecting the rate of the cost-of-living and wage growth, and discussed how the four indicator areas affected the San Diego region's standard of living. The Strategy includes a total of 9 goals and 26 specific recommended actions. Mr. Cox highlighted two goals that would have the greatest impact to the region's standard of living: increase housing supply to stabilize prices, and a goods movement strategy and action plan. Mr. Cox stated that the region needs to focus on the visitor industry model for job growth, and utilize a collaborative approach with other regions to implement the prosperity strategy.

Supervisor Roberts requested clarification on the statement that the region would see a \$2 billion benefit by improving border crossing speeds. Mr. Cox responded that the impact from improved, faster goods movement and the increase in dollars spent for employment and recreational activity here in the United States would realize a \$2 billion benefit.

Supervisor Roberts asked staff to define which category would include military spending. Military spending is high in our region and should have a higher impact than some of the employment clusters indicated in the report. Supervisor Roberts stated that the military spending seems to be significant enough to be included in the strategy. Mr. Cox replied that military spending is considered an employment traded cluster in terms of tax dollars spent and the housing service provided to those military personnel but the uniformed military component impact to the region's economy is relatively low.

Mayor Holt Pfeiler asked staff whether the tribal lands and gaming were included in the entertainment industry cluster, and staff indicated that it was included in the data.

Councilmember Bob Campbell (North County Inland) requested clarification on the differential between housing rentals and home sales numbers.

Mr. Cox explained that as housing prices continue to increase and sales continue to fall, more units are being offered as rentals. Without a major downswing in home prices, more units will become rentals.

Action: This item was presented for information only.

CONSENT

A. SMART GROWTH TRIP GENERATION AND PARKING DEMAND STUDY (INFORMATION)

In FY 2008, SANDAG will be embarking on a study to evaluate smart growth trip and parking rates for use in updating the SANDAG traffic generator model and Smart Growth Design Guidelines. The report provides an overview of the study and anticipated outcomes. This item was presented for information only.

Action: Upon a motion by Deputy Mayor Rindone and a second by Supervisor Pam Slater-Price, County of San Diego, the Transportation Committee and Regional Planning Committee accepted Consent Item A.

Tom Scott, Executive Director, San Diego Housing Federation, stated his support for the item and asked the committee to place emphasis on affordable housing parking demand. He requested that the study focus on the parking needs for affordable housing in the smart growth areas.

REPORTS

B. SURVEY ON FINANCIAL IMPACT ON TRANSIT FACILITIES AT REGIONAL SHOPPING CENTERS (INFORMATION)

Item B was deferred to future Transportation and Regional Planning Committee meetings.

C. CALIFORNIA ENERGY COMMISSION (CEC) PARTNERSHIP (INFORMATION)

Susan Freedman, Senior Regional Energy Planner, presented an overview of the project. SANDAG has been awarded funding from the California Energy Commission (CEC) to conduct regional energy planning. The Overall Work Plan and Budget of the energy planning program for FY 2007 and FY 2008 have been amended to incorporate the additional project and funding. The Energy Working Group (EWG) has developed a partnership with the CEC to focus on the relationship among land use, transportation, and energy planning, and the impacts of greenhouse gas on these planning areas. The CEC has chosen SANDAG as a partner as it recognizes SANDAG as a leader in transportation and land use planning and SANDAG's history in regional energy planning. The CEC approved two contracts: the Regional Energy Planning Contract, and a smaller grant called "Rebuild America" which will focus on methods of energy-efficient new construction. The three main tasks of the partnership are to update the Regional Energy Strategy 2030, to expand our Sustainable Regions Pilot with Carlsbad to other local governments, and to conduct an alternative fuel vehicle and infrastructure assessment and develop tools for local governments. The EWG will also identify recurring funding mechanisms.

Chair Jones requested clarification on the role of San Diego Gas and Electric (SDG&E) in the process. Ms. Freedman stated that SDG&E is a member of the EWG and has been involved with the planning process from the beginning. It has provided some local funding to the energy planning program, and has provided input on land use and infrastructure planning components.

Chair Jones requested clarification on how SDG&E's long-term resource plan integrates with the Regional Energy Strategy and what are the differences between the two plans. Ms. Freedman stated that there is overlap between the two plans but that SDG&E focuses on short-term energy supply and the Regional Energy Strategy focuses on the long-term vision. The Energy Strategy includes the utility and many other organizations to attain short-term and long-term courses of action for sustainable energy.

Mr. Gallegos commented that this partnership will provide better tools for energy planning and future energy-efficient models. The goal with the CEC is to implement working models that can be used statewide.

Kevin Siva, Southern California Tribal Chairmen's Association (SCTCA), stated that this partnership is an excellent opportunity to involve tribes in a planning process for energy consumption, and he would like to discuss including a member of the SCTCA in the working group.

Action: This item was presented for information only.

7. UPCOMING MEETINGS

The next meeting of the Transportation Committee is scheduled for Friday, June 15, 2007, at 9 a.m.

8. ADJOURNMENT

The joint meeting of the Transportation Committee and the Regional Planning Committee was adjourned by Chairs Madaffer and Jones at 12:00 p.m.

CONFIRMED ATTENDANCE
SANDAG TRANSPORTATION COMMITTEE MEETING
June 1, 2007

GEOGRAPHICAL AREA/ ORGANIZATION	JURISDICTION	NAME	MEMBER/ ALTERNATE	ATTENDING
North County Coastal	City of Del Mar	David Druker	Member	No
	City of Oceanside	Jerry Kern	Alternate	Yes
North County Inland	City of Escondido	Lori Holt Pfeiler	Member	Yes
	City of Vista	Bob Campbell	Alternate	Yes
East County	City of Santee	Jack Dale (Vice Chair)	Member	No
	City of La Mesa	Art Madrid	Alternate	No
South County	City of Chula Vista	Jerry Rindone	Member	Yes
	City of Coronado	Phil Monroe	Alternate	Yes
City of San Diego	----	Jim Madaffer (Chair)	Member	Yes
	----	Scott Peters	Alternate	No
	----	Ben Hueso	Alternate	No
County of San Diego	----	Ron Roberts	Member	Yes
	----	Bill Horn	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		Ed Gallo	Member	Yes
		Jerome Stocks	Alternate	No
		David Druker	Alternate	No
San Diego County Regional Airport Authority		Paul Nieto	Member	No
		Vacant	Alternate	?
ADVISORY/LIAISON Caltrans	----	Pedro Orso-Delgado	Member	Yes
	—	Bill Figge	Alternate	Yes
Regional Planning Stakeholders Working Group	—	Sandor Shapery	Member	No
		Gary Nordstrom	Alternate	?
		Kathy Keehan	Alternate	Yes
SCTCA	—	Kevin Siva	Member	Yes
		Albert Phoenix	Alternate	Yes