

TRANSPORTATION COMMITTEE

February 20, 2009

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

TRANSPORTATION COMMITTEE DISCUSSION AND ACTIONS MEETING OF FEBRUARY 6, 2009

The meeting of the Transportation Committee was called to order by Vice Chair Jack Dale (East County) at 9:01 a.m. See the attached attendance sheet for Transportation Committee member attendance.

1. APPROVAL OF MEETING MINUTES

Action: Upon a motion by Councilmember Matt Hall (North County Coastal) and a second by Councilmember Bob Campbell (North County Transit District [NCTD]), the Transportation Committee approved the minutes from the January 16, 2009, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Vice Chair Dale requested that Gary Gallegos, Executive Director give an update on the status of the Compass Card program.

Mr. Gallegos stated that due to problems with the software the Compass Card will not be able to meet its March 1, 2009, target date for launching the Compass Card. He stated that SANDAG is working closely with MTS and NCTD for a revised plan. Cubic is putting resources into repairing the software. He stated that we are still hoping to meet the July deadline for full implementation.

Vice Chair Dale requested that Mr. Gallegos update the Committee on the cash management project funding plan approved by the Board of Directors on January 23, 2009.

Mr. Gallegos stated that staff has been working with Caltrans Headquarters and the California Transportation Commission (CTC) to ensure the cash management plan would work. He stated that the CTC has scheduled a meeting for Tuesday, February 10, 2009, to discuss our plan. He stated that he believes the plan is consistent with direction received from this Committee and the Board of Directors. The only exception is State Route (SR) 76 where we had shifted sales tax money in the past to SR 76 from the SR 52 to keep the project moving forward. The CTC has requested that we undo that shift. This does not negatively impact the SR 76 project as we would shift state and federal funds to replace the sales tax funds. He stated that the funding amount is the same. He stated that this action also alleviates the need to use federal funds for SR 52 which is an advantage and we can keep the project moving with *TransNet* funds. Mr. Gallegos stated that the concept the Board had for the other projects has been accepted. Mr. Gallegos stated that the CTC will vote on the proposal over a two-month period with the first vote next Tuesday and the final vote at its March meeting.

Councilmember Hall requested that SANDAG staff discuss the cash management plan exchange of funds with the City of Oceanside so it is kept informed.

Vice Chair Dale asked whether contractors would be paid for the February 20, 2009, invoice.

Mr. Gallegos stated that to the best of our knowledge, the controller will pay through the February 20, 2009, pay period. He stated that without a state budget Caltrans will start suspending Proposition 1B projects beginning Monday, February 9, 2009. Mr. Gallegos stated that both San Francisco and Los Angeles are developing plans to be able to continue funding projects. He stated that San Francisco has a cash reserve from toll funds and it has an agreement with the state treasurer to buy bonds to fund its region's projects. He stated that he did not have all the details of the Los Angeles plan but it is similar to that of San Francisco.

Vice Chair Dale stated that even after a budget is agreed upon and passed the state would still need to sell bonds and that process could take up to six months. He stated that one plan is to use the federal stimulus funds to backfill projects but it is his understanding that the federal stimulus package does not provide significant funding for transportation.

Mr. Gallegos stated that the risks for funding would be for the Interstate 15 (I-15) project because sales tax dollars and the cash management shift of funds would keep the other projects moving forward. He stated that the current federal stimulus package that has passed the House limits the use of stimulus funds. He stated that under that program the funds could not be used to fund existing, ongoing projects. He stated that the federal stimulus funds could be used for the SR 76 project. He stated that the current federal plan requires funds to be obligated within 75 days and SANDAG is working with Caltrans to ensure that the SR 76 project is ready and can meet the timelines for the stimulus funds.

Councilmember Hall stated that he would like to have staff chart each project's funding and timeline to show exactly where each project stands for the short- and long-term and what the backup plans would be.

Mr. Gallegos stated that once we have received the approval from the CTC, staff can provide this information for each project.

Councilmember Tony Young (City of San Diego) stated that the purpose of the federal stimulus package is to create jobs but also to ensure that current jobs remain.

Mr. Gallegos stated that the current bill restricts funds for projects currently underway but the Senate is still debating the bill.

Councilmember Young stated that the federal stimulus package is designed to promote jobs and to get people working and spending money. He expressed his concern that the projects are facilitated by businesses outside the region. He stated that we need to keep the work in the region and asked how we can ensure that our local contractors are getting the work. Councilmember Young stated that we need to have a method in place that encourages local businesses to bid on projects.

Mr. Gallegos stated that our bid process is open and competitive and we have to follow the rules which are that no local preference is allowed. He stated that SANDAG and Caltrans do extensive outreach to keep contractors educated on the process and encourage them to bid.

Supervisor Roberts asked whether any other counties were working on the same type of plans or similar ones to our cash management plan.

Mr. Gallegos stated that both San Francisco and Los Angeles are working on plans but they are different than our plan. He stated that San Francisco is using excess cash to buy bonds and Los Angeles is working on a similar program to that of the Bay area with the Los Angeles Metropolitan Transportation Authority (LAMTA).

Mayor Desmond stated that there seems to be a growing dependence on the federal stimulus package as the life saver but everyone will be competing for these funds. He asked if there was any guarantee that our region would receive these funds and when we would expect to receive them.

Mr. Gallegos stated that version of the bill that passed the House does not provide significant funding for transportation. He stated that although it is a small amount of funding nationwide, the funds are distributed by formula so our region can possibly expect between \$200 million to \$300 million for transportation and transit. He said this is equivalent to another good year but is not the ultimate funding answer. Mr. Gallegos stated that the funds would have to be obligated within 75 days of enactment of the bill.

Pedro Orso-Delgado, Caltrans District 11 Director, stated in response to Councilmember Young's concerns regarding local contractors, Caltrans has an extensive outreach program. He stated that there are 11 small contractors that attempt to compete for projects on a regular basis. He stated that Caltrans is working closely with these local small contractors so they can be competitive on bids. Additionally, Caltrans is finding ways to break down large contracts into smaller components that can be sub-contracted to these smaller companies.

Mr. Orso-Delgado announced that Caltrans has begun its furlough program and would be closed the first and third Friday of each month. He stated that rotating crews would be working for barrier movements and other essential or emergency activity.

REPORTS

3. 2008 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: AMENDMENT NO. 4 (APPROVE)

Action: Upon a motion by Councilmember Hall and a second by Councilmember Campbell, the Transportation Committee approved Amendment No. 4 to the 2008 RTIP.

4. SORRENTO VALLEY COASTER SERVICE UPDATE (DISCUSSION/POSSIBLE ACTION)

Dave Schumacher, Principal Regional Planner, presented the item. He stated that the Sorrento Valley COASTER Connection (SVCC) is an MTS-operated service that provides short distance shuttle connections on nine routes between the Sorrento Valley COASTER station and businesses in the Sorrento Valley, Sorrento Mesa, Carroll Canyon, University City, and Torrey Pines areas. Previously, nearly 70 percent of the annual costs to operate SVCC services were subsidized by funding from the Air Pollution Control District (APCD) and Interstate 805/Interstate 5 construction mitigation funds from Caltrans. Both the APCD and Caltrans funding sources, totaling nearly \$732,000, were no longer available as of July 1, 2008.

Mr. Schumacher stated that in order to help make up for the loss of these revenues, the SANDAG Board of Directors at its June 13, 2008, meeting approved charging a one-way fare of \$1.00 for all SVCC passengers. Since the implementation of the SVCC fare, there has been a significant drop in ridership and increase in subsidy per passenger. A number of employers now operate their own company shuttles to ferry their employees to and from the Sorrento Valley station. The result is that MTS has exhausted its FY 2009 funding for operation of the SVCC services.

Mr. Schumacher stated that MTS will be considering two service alternatives at a public hearing scheduled for its February 19, 2009, Board meeting: (1) deletion of all SVCC services; and (2) a restructuring of the SVCC services that would reduce service levels to a more sustainable level, reflecting the lower ridership trends and need to minimize public subsidies. Since a reduced level of service would still require some level of public subsidy, albeit less than at present, MTS and NCTD staffs have been discussing options for a joint funding of this restructured SVCC service.

Mr. Schumacher stated that since the SVCC services are routes of regional significance, the Transportation Committee is required by Board Policy No. 018 to determine whether the restructured service option is consistent with regional policies, goals, and objectives prior to MTS holding its public hearing or implementing changes. From what staff understands about the restructured SVCC service alternative, staff feels the revised service plan would be consistent with regional policies, goals, and objectives.

Paul Jablonski, Chief Executive Officer of MTS, stated that the MTS Board of Directors held the first public hearing last month to discuss alternatives to service. He stated that the Board approved the plan to cut the original nine routes to five, which cut costs substantially. The MTS Board is now considering bringing the five routes down to four. The MTS Board directed its staff to seek funding for the SVCC. Mr. Jablonski stated that MTS has been actively seeking funding sources. He stated it has tried to get the business community involved but have not received any support or interest. MTS is now in discussions with NCTD for possible joint funding options. Mr. Jablonski stated that ridership has decreased significantly; last June the shuttle was making over a thousand passenger trips per day and now it is running approximately 375 passenger trips per day. He stated that the fare contributed to loss of ridership along with recent increases in the COASTER fare but the economy also is a factor. Mr. Jablonski stated that another factor that now must be considered is that Qualcomm just started its own shuttle service. He stated that NCTD and MTS had come close to finding a solution but now must consider the impacts of the Qualcomm service to the SVCC shuttle service and it is too soon to determine what those might be.

Matt Tucker, Executive Director of NCTD, stated that NCTD has been working closely with MTS. He stated that the Qualcomm service has changed the picture and we now need to revisit our plans to determine the impact that service will have to the SVCC.

Supervisor Ron Roberts (San Diego County) asked MTS what the current subsidy per passenger is for the SVCC shuttle.

Mr. Jablonski stated that the current subsidy per passenger is approximately \$6.63 but with the proposed changes it would drop of close to \$4.00 per passenger.

Mr. Tucker stated that MTS and SANDAG need to look at possible changes to policy in the current situation. He stated that we need to look at the negative perception by the customers by adding a fare at the end of a trip as it appears that the passenger is paying twice for the same trip. He stated

that we need to look at restructuring the fare for the entire trip not just how to pay for the last two miles.

Mayor Jim Desmond (North County Inland) requested clarification on the changes to routes.

Mr. Jablonski stated that MTS currently runs five shuttle routes and based on the Qualcomm shuttle route that just started, MTS is now considering dropping the SVCC routes to four. The Qualcomm shuttle serves the same general area as the SVCC but only runs to the Qualcomm facilities. He stated that MTS is still determining the impact of the Qualcomm shuttle to ridership before making a possible decision to drop the SVCC shuttle.

Councilmember Campbell stated that the NCTD feels the SVCC service is very important and wants to find a way to continue the service. He stated that it is important to determine the impacts to ridership by the new Qualcomm shuttle, lower gas prices, and other economic impacts.

Vice Chair Dale asked the Committee members if they felt that the decision could be made by MTS and NCTD and this item did not need further review by the Transportation Committee. After discussion by the members and advice from legal counsel it was determined that the item would need to be brought back to the full Committee for action once MTS and NCTD made a determination on any changes or alterations to the SVCC service.

Action: This item was presented for discussion/possible action and no action was taken.

5. PRESENTATION ON BUSINESS PLAN FOR CARRIZO GORGE SD&AE RAILWAY BY ARMANDO FREIRE (INFORMATION)

This item was postponed.

6. UPCOMING MEETINGS

The next meeting of the Transportation Committee is scheduled for Friday, February 20, 2009, at 9:00 a.m.

7. ADJOURNMENT

Vice Chair Dale adjourned the meeting at 9:35 a.m.

Attachment: Attendance Sheet

**CONFIRMED ATTENDANCE
SANDAG TRANSPORTATION COMMITTEE MEETING
FEBRUARY 6, 2009**

GEOGRAPHICAL AREA/ ORGANIZATION	JURISDICTION	NAME	MEMBER/ ALTERNATE	ATTENDING
North County Coastal	City of Carlsbad	Matt Hall	Member	Yes
	City of Del Mar	Carl Hilliard	Alternate	Yes
North County Inland	City of San Marcos	Jim Desmond	Member	Yes
	City of Vista	Judy Ritter	Alternate	Yes
East County	City of Santee	Jack Dale (Vice Chair)	Member	Yes
	City of La Mesa	Art Madrid	Alternate	Yes
South County	City of Coronado	Carrie Downey	Member	No
	City of Imperial Beach	Jim King	Alternate	Yes
City of San Diego	----	Tony Young	Member	Yes
	----	Todd Gloria	Alternate	Yes
	----	Carl DeMaio	Alternate	No
County of San Diego	----	Ron Roberts	Member	Yes
	----	Greg Cox	Alternate	No
	----	Bill Horn/Slater-Price	Alternate	No
Metropolitan Transit System	MTS	Harry Mathis	Member	Yes
	MTS	Jerry Rindone	Alternate	Yes
North County Transit District	NCTD	Bob Campbell	Member	Yes
	NCTD	Dave Roberts	Alternate	No
	NCTD	Jerome Stocks	Alternate	No
San Diego County Regional Airport Authority		Anthony K. Young	Member	No
		Charlene Zettel	Alternate	Yes
		Tom Smisek	Alternate	No
ADVISORY/LIAISON Caltrans	----	Pedro Orso-Delgado	Member	Yes
	---	Bill Figge	Alternate	Yes
SCTCA	---	Albert Phoenix	Member	Yes
		Francine Kupsch	Alternate	No