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MEETING NOTICE AND AGENDA

TransNet INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)

The ITOC may take action on any item appearing on this agenda.

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 of Transportation
 Metropolitan
 Transit System
 North San Diego County
 Transit Development Board
 United States
 Department of Defense
 San Diego
 Unified Port District
 San Diego County
 Water Authority
 Mexico

Wednesday, March 13, 2013

9:30 a.m.

SANDAG
 SANDAG 7th Floor Conference Room
 401 B Street, 7th Floor
 San Diego, CA 92101

Staff Contact: Kim Kawada
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 Kim.Kawada@sandag.org

AGENDA HIGHLIGHTS

- **FY 2012 TransNet INDEPENDENT AUDITOR'S ANNUAL REPORT, DRAFT AUDIT REPORTS, AND OTHER AUDIT-RELATED ITEMS**
- **FY 2012 REQUESTS FOR EXCEPTION TO TransNet EXTENSION ORDINANCE REQUIREMENTS**
- **TransNet ENVIRONMENTAL MITIGATION PROGRAM: ECONOMIC BENEFIT**

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INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

Wednesday, March 13, 2013

ITEM #		RECOMMENDATION
+1.	MEETING SUMMARIES FOR THE JANUARY 9 AND FEBRUARY 27, 2013, ITOC MEETINGS +1A. JANUARY 9, 2013, ITOC MEETING SUMMARY +1B. FEBRUARY 27, 2013, ITOC MEETING SUMMARY	APPROVE Estimated Start Time: 9:30 a.m.
2.	PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS Members of the public shall have the opportunity to address the ITOC on any issue within the jurisdiction of the Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. Committee members also may provide information and announcements under this agenda item.	INFORMATION Estimated Start Time: 9:35 a.m.
	CONSENT	Estimated Start Time: 9:40 a.m.
+3.	QUARTERLY <i>TransNet</i> FINANCIAL REPORTS FOR THE PERIOD ENDING DECEMBER 31, 2012, AND OTHER FINANCIAL DATA (Lisa Kondrat-Dauphin) This report provides certain <i>TransNet</i> financial information on a quarterly basis in accordance with requests from the ITOC and <i>TransNet</i> Triennial Performance Audit recommendations.	INFORMATION
+4.	OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS (Marney Cox, André Douzjian) This report provides a quarterly briefing intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the <i>TransNet</i> program.	INFORMATION
+5.	<i>TransNet</i> PROGRAM FY 2013 REVENUE REVISION AND FY 2014 TO FY 2018 PROGRAM REVENUE ESTIMATES (Marney Cox, Sookyung Kim) SANDAG provides a short-term forecast of revenues available for transit and local agencies within the <i>TransNet</i> program on an annual basis. The SANDAG Board of Directors approved revising the FY 2013 <i>TransNet</i> estimate and the estimates for the period FY 2014 to FY 2018 at its February meeting. This report is provided for information.	INFORMATION
+6.	<i>TransNet</i> REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM: FEE ADJUSTMENT (Marney Cox, Ariana zur Nieden) The <i>TransNet</i> Extension Ordinance requires that the RTCIP transportation mitigation fee charged by local jurisdictions be adjusted every year on July 1 in order to maintain the purchasing power of the program for improvements to the Regional Arterial System. Staff has evaluated construction cost trends and relevant indices, and based on this analysis, the Board of Directors approved a 2 percent fee adjustment on February 22, 2013. This will raise the minimum RTCIP exaction from \$2,165 to \$2,209 beginning July 1, 2013.	INFORMATION

+7. **TransNet ENVIRONMENTAL MITIGATION PROGRAM: ANNUAL STATUS REPORT (Keith Greer)** INFORMATION

This report provides an annual status update on the implementation of the *TransNet* Environmental Mitigation Program.

REPORTS

8. **SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON TransNet-RELATED AGENDA ITEMS (Kim Kawada)** INFORMATION

This monthly briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on *TransNet*-related projects and programs. Staff will provide a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed.

Estimated Start Time: 9:45 a.m.

+9. **2012 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: AMENDMENT NO. 3 (Michelle Merino)** DISCUSSION

The 2012 Regional Transportation Improvement Program (RTIP) is the multiyear program of major transportation projects in the San Diego region, including the *TransNet* Program of Projects (POP). This RTIP amendment reflects programming for the FY 2014 Transit Capital Improvement Program. The ITOC is asked to review and discuss the proposed 2012 RTIP Amendment No. 3, focusing on the *TransNet* POP. Significant comments will be forwarded to the Transportation Committee and the Board of Directors, which are scheduled to take action at their March meetings.

Estimated Start Time: 9:50 a.m.

+10. **INDEPENDENT AUDITOR'S ANNUAL REPORT ON RESULTS OF THE FY 2012 TransNet COMPLIANCE AUDITS** ACCEPT

+A. **FY 2012 TransNet INDEPENDENT AUDITOR'S ANNUAL REPORT, DRAFT AUDIT REPORTS, AND OTHER AUDIT-RELATED ITEMS (Lisa Kondrat-Dauphin; Sam Perera, Mayer Hoffman McCann P.C.)**

Estimated Start Time: 10 a.m.

All recipients of *TransNet* funds are required to undergo an annual compliance audit. The independent audit firm of Mayer Hoffman McCann P.C. has completed its field work and will report on the results of the FY 2012 *TransNet* compliance audits. The ITOC is asked to accept the draft independent auditor's report of compliance audit results for incorporation into the ITOC annual report on initial findings and recommendations of the independent audit.

+B. **FY 2012 REQUESTS FOR EXCEPTION TO TransNet EXTENSION ORDINANCE REQUIREMENTS (Lisa Kondrat-Dauphin)** RECOMMEND

The North County Transit District (NCTD) and Metropolitan Transit System (MTS) did not meet certain eligibility requirements as noted in their draft FY 2012 *TransNet* annual compliance audit. In an effort to gain compliance, NCTD and MTS are requesting adjustments to the eligibility calculation. The ITOC is asked to recommend to the Transportation Committee that the SANDAG Board of Directors approve the requests of (1) MTS to calculate the bus services and rail services requirements as an average over the

Estimated Start Time: 10:40 a.m.

previous three fiscal years; and (2) NCTD to calculate the rail services requirement as an average over the previous three fiscal years, as permitted under Section 4(C)5 of the *TransNet* Extension Ordinance.

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| +11. | PROGRESS REPORT ON <i>TransNet</i> EARLY ACTION PROGRAM PROJECTS (Richard Chavez) | INFORMATION |
| | Staff will provide an overview of the <i>TransNet</i> Major Corridor projects in terms of cost control and schedule adherence based on data provided through the Dashboard reporting system. This item relates to the required reporting process specified under paragraph 10 of the <i>TransNet</i> Extension Ordinance. In addition, in response to the recommendations from the Triennial <i>TransNet</i> Performance Audits, staff will present the highway project performance (PeMS) charts. | Estimated Start Time: 10:55 a.m. |
| +12. | MID-COAST CORRIDOR TRANSIT PROJECT UPDATE AND CONSTRUCTION SERVICES PROCUREMENT STRATEGY (John Haggerty) | DISCUSSION |
| | Staff will provide an update on the Mid-Coast Corridor Transit project and will present an analysis and recommendations for implementing construction services on the project. Staff has evaluated the three primary construction contracting methods used in the transit industry for delivery of large capital projects and is recommending the Construction Manager/General Contractor (CM/GC) method. Comments from the ITOC would be provided to the Transportation Committee and Board of Directors at their March meetings. On March 22, 2013, the Board of Directors is scheduled to take action to authorize the use of the CM/GC method on the project. | Estimated Start Time: 11:30 a.m. |
| +13. | <i>TransNet</i> ENVIRONMENTAL MITIGATION PROGRAM: MANAGEMENT STRATEGIC PLAN (Keith Greer) | INFORMATION |
| | SANDAG staff will provide a status report on the creation of a Regional Management Strategic Plan to better guide future allocations of <i>TransNet</i> Environmental Mitigation Program funds. | Estimated Start Time: 12 noon |
| +14. | <i>TransNet</i> ENVIRONMENTAL MITIGATION PROGRAM: ECONOMIC BENEFIT (Keith Greer) | DISCUSSION |
| | The <i>TransNet</i> Extension Ordinance contains the provision of "Economic Benefit" to purchase large blocks of habitat lands in advance of need for transportation mitigation purposes. SANDAG staff will present proposed Policy Points that define the concept of economic benefit and a process for releasing the Economic Benefit funding. ITOC is asked to discuss the proposed Policy Points. | Estimated Start Time: 12:15 p.m. |
| 15. | FUTURE MEETING SCHEDULE | INFORMATION |
| | The next regular ITOC meeting is scheduled for Wednesday, April 10, 2013, at 9:30 a.m. | Estimated Start Time: 12:45 p.m. |
| 16. | ADJOURNMENT | INFORMATION |

+ next to an agenda item indicates an attachment