

TRANSPORTATION COMMITTEE

February 18, 2005

AGENDA ITEM NO.: **1**

Action Requested: APPROVE

TRANSPORTATION COMMITTEE DISCUSSION AND ACTIONS MEETING OF FEBRUARY 4, 2005

The meeting of the Transportation Committee was called to order by Chair Joe Kellejian (North County Coastal) at 9:02 a.m. See the attached attendance sheet for Transportation Committee member attendance.

1. APPROVAL OF MEETING MINUTES

Eric Pahlke, Chief Deputy Executive Director, noted that the draft minutes included in the agenda package referred to another document related to the joint Transportation Committee/Regional Planning Committee, and that information was inadvertently omitted. A revised set of minutes was distributed at the meeting.

Action: Upon a motion by Councilmember Jim Madaffer (City of San Diego) and a second by Councilmember Bob Emery (Metropolitan Transit System [MTS]), the Transportation Committee approved the revised minutes from the January 21, 2005, meeting.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS

Chuck Lungerhausen, a member of the public, solicited donations for the Multiple Sclerosis Walk on April 9-10. The "water walking" team of which he is a part will occur on Saturday, April 2 at Frog's Club One in Spring Valley. He invited all to observe the water activities on that date. He thanked Transportation Committee members for their past support. Harrah's Rincon Casino matched all donations last year, and he hoped they will do the same this year.

Chair Kellejian encouraged the Transportation Committee members to donate to this cause.

REPORTS

3. IMPACT OF RECENT WINTER STORMS ON THE COASTAL RAIL CORRIDOR AND STATUS OF RESTORING INTERCITY AND COMMUTER RAIL SERVICE (INFORMATION)

Linda Culp, Senior Planner, provided a report on the damage from recent storms caused along the 351 miles of the coastal rail corridor from San Diego to San Luis Obispo. She stated that the impacts to service include: temporary slow orders in San Diego County, temporary shutdowns in Orange County, no service to Ventura and Santa Barbara during

January 11 – February 8, and no service between Los Angeles and San Luis Obispo during January 11 –February 28.

Ms. Culp pointed out that this corridor is the second busiest corridor nationwide, with seven million annual passengers. She mentioned that the Coaster accounts for one lane of traffic at the Interstate 5/Interstate 805 (I-5/I-805) merge during the morning peak hour.

Supervisor Pam Slater-Price (County of San Diego) asked how many passengers are on the first busiest corridor. *Ms. Culp replied that the busiest corridor is the Northeast Corridor with about 12 million annual passengers on AMTRAK.*

Ms. Culp summarized that there were more than 30 landslides on the corridor, thousands of railroad ties will need to be repaired, and repairs are expected through June. She emphasized the high level of cooperation that has been exhibited between all of the rail operators including coordinated efforts to restore service. She commented that there is a possibility of receiving federal funds to help with the repairs.

Chair Kellejian asked from what federal source such funds would be found. *Ms. Culp responded that it would be from weather-related disaster funds. Staff is investigating to determine whether rail repairs would be eligible for these funds.*

Chair Kellejian mentioned that the Los Angeles–San Diego–San Luis Obispo Rail Corridor Agency (LOSSAN) will be meeting next week, and it can take action to apply for those emergency funds.

Councilmember Madaffer said that this points out the fragility of the line. He said that there have been discussions about moving the line away from the coastal zone, and asked if there has been an analysis of any preventable maintenance situations. *Karen King, NCTD Executive Director, agreed that it is a fragile infrastructure that we have the responsibility of protecting and updating. They have identified areas that need to be updated, and they conduct an inspection on a regular basis from Orange County to San Diego. There is a project to stabilize the Del Mar Bluffs that is being implemented in stages. This is the area of greatest risk.*

Supervisor Slater-Price asked about relocating the track, noting that the track historically was not directly adjacent to the coast. *Ms. King responded that the California High-Speed Rail Authority and Caltrans jointly conducted a study to look at the possibility of relocating the rail line from Los Angeles to San Diego to make improvements. The primary obstacle to relocation is that trains cannot pull the grades necessary for the terrain, and it would take significant structures or tunneling to move the railroad inland.*

Councilmember Madaffer suggested that planning for the possibility of moving the rail line inland should be commenced and staff should work with the federal government on funding. *Ms. King said that there is not enough money coming into the state from the federal government. This is a common problem with railroads all over the country. Most of the financial resources go to the Northeast Corridor. We need to get sufficient dollars and bring them into California.*

Ms. Culp mentioned that MOBILITY 2030 does call out improvements for this corridor and for future funds. It will be a team effort to work on a solution to this problem. She added that the state has been a good provider of rail funds in the past. This corridor is a priority in our long-range transportation plan.

Councilmember Madaffer commented that this is a classic example that our region needs to be working with the folks in Washington, D.C., to make a strong case to spend the money now because the coast will continue to erode. The next big storm could cause more miles of track to be damaged. He suggested that this be added to our long-term legislative agenda.

Supervisor Slater-Price said that historically the train fell into the sea twice, so this possibility is not out of the question. The original rail line did not follow the coastal route and was rerouted to provide service to the coastal communities. She suggested that staff investigate the original alignment location.

Mayor Kellejian mentioned that this line has been in place since 1881.

Ms. King said that a portion of the line was located farther inland and then was moved to the coast due to the difficulty of operating inland. It was primarily freight service at that time.

Supervisor Slater-Price said that Colonel Fletcher moved the line closer to the coast to promote development.

Councilmember Jack Dale (East County) stated that money for highways was transferred for retrofitting bridges. He asked if this opens us up to another source of money for rail.

Mayor Kellejian said that part of our budget problem is that we are still retrofitting bridges, and that is a topic of conversation throughout the state. In talking with the Caltrans Director, he said that bridge retrofitting is a primary issue, and it is driving our current transportation budget problems. He thinks there still are two bridges to retrofit, and it is a multibillion dollar undertaking.

Action: This report was presented for information.

4. TRANSIT SERVICE PLANNING AND PUBLIC HEARING PROCESS (DISCUSSION/POSSIBLE ACTION)

Mayor Kellejian stated that a revised Proposed Regional Transit Service Planning and Implementation Process sheet was distributed. The first section is related to new service, the next section is for regionally significant service, and the third section is for minor service.

Toni Bates, Division Director of Transit Planning, reported that the Board adopted Policy No. 018, Regional Transit Service Planning that defines the role of the two transit agencies and SANDAG including a process for conducting public hearings. The Transportation Committee conducted a public hearing recently, and at that meeting the Committee expressed a desire to streamline the public hearing process and to place public hearings

with the transit agencies. Based on that direction, staff developed a proposal for revising Policy No. 018 to reflect a shift in responsibilities related to public hearings.

Ms. Bates said that staff has worked on this process with the public transit agencies. Step 1 is establishing the policy framework by developing the Regional Short-Range Transit Plan (RSRTP). This is where SANDAG and the transit agencies establish a service planning framework and guidelines including: goals and objectives, needs and deficiencies, parameters and performance standards, and a regional consistency checklist. In Step 2, SANDAG and the transit agencies develop service proposals to address the needs and deficiencies. Most of these will be new service proposals and major revisions to the existing system. The Transportation Committee would conduct a public hearing on the RSRTP, not the specific services. In Step 3, the transit agencies develop their budgets. Step 4 is where service implementation begins. This is where activities have shifted from SANDAG to the transit agencies.

Ms. Bates said that staff believes this process addresses the concern of the Transportation Committee by focusing its efforts on policy oversight and leaving the details of transit service implementation to the transit agencies.

Mayor Kellejian thanked the transit agencies for their valuable input on this plan, and for staff's time and effort. He said that it is important that we have consistency in our responsibilities with Senate Bill (SB) 1703.

Jack Limber, General Counsel, stated that under SB 1703 the short-term operational planning for transit services was transferred from the transit boards to SANDAG, but it also included that local route planning and financial planning would continue to be the responsibility of the transit agencies. We have tried to define those roles in this process and to make it clear that the route planning and public hearing functions will be at the transit agencies, and the guidelines from the Regional SRTP and monitoring will be at SANDAG. This is consistent with the two roles of the two groups of entities.

Paul Jablonski, MTS Chief Operating Officer, confirmed their agreement with these changes to the policy for a couple of basic reasons: they recognize that there is more than one kind of service change, and they improve efficiency.

Ms. King noted that to be consistent with SB 1703, the third column should say "local" in addition to "minor" changes. Staff agreed to make that change.

Councilmember Jerry Rindone (South County) asked for a legal opinion on the differing roles between SANDAG and the transit agencies. He supported the recommendation on the regional transit service planning process. It was his understanding that public hearings for service changes would occur at the transit agencies, and there is no appeal to SANDAG. Mr. Limber clarified that the only way a change would come back to the SANDAG Transportation Committee is that if a change arose as a result of that transit agency public hearing different than that being proposed and that change has a potentially significant regional impact. Then it would be brought back to SANDAG staff and conceivably to this committee, but that would be a highly unlikely occurrence.

Chair Kellejian asked if it would come to the Transportation Committee if the change would have a regional or budget significance. Mr. Limber said it could come to the Transportation Committee for either one of those reasons. He noted that seldom has a new service proposal been materially changed at a public hearing.

Councilmember Emery reiterated that a public hearing would not be precluded for a local but significant item that might arise. It might be important enough to have a hearing at the transit agency. Mr. Limber said the change would be locally significant and up to the transit agencies.

Councilmember Monroe said that there are two results from a public hearing: a very different result from a proposed service change or we approve the service change that was suggested.

Leon Williams, MTS Chair, clarified that there would be no public hearings on service at SANDAG. Mr. Limber agreed that was correct.

Councilmember Ritter asked about an appeal process. Mr. Limber said there would not be an appeal. A service proposal might be amended if the transit agency wants to do something significantly different from the original proposal. In that case, the service proposal might come to SANDAG staff to ensure consistency with the RS RTP.

Action: Upon a motion by Councilmember Madaffer and a second by Councilmember Emery, the Transportation Committee directed staff to amend the short-range transit service planning process contained in SANDAG Policy No. 18, Regional Transit Service Planning, and bring it back to the Transportation Committee and Board for adoption.

5. TRANSPORTATION PROGRAM FUNDING UPDATE (INFORMATION/POSSIBLE ACTION)

Jose Nuncio, Senior Engineer/Programming Manager, provided information about the FY 2005/06 proposed state budget including the suspension of Proposition 42 funds (\$1.3 billion). This suspension is to be treated as a loan. The FY 2003/04 to FY 2005/2006 suspensions equal \$3.4 billion. The \$3.4 billion is to be repaid over 15 years, starting in FY 2007/2008. The proposed budget is silent on FY 2006/2007 suspensions. There will be a constitutional firewall of the Proposition 42 funds starting in FY 2007/2008. He added that the Indian gaming bond revenues assumed for FY 2004/2005 are now being assumed to occur in FY 2005/2006.

Mr. Nuncio noted that over half of the 2004 State Transportation Improvement Program (STIP) funding was to come from Proposition 42 revenues. He said that none of our projects were included for Grant Anticipation Revenue Vehicle (GARVEE) bonding. The California Transportation Commission (CTC) is not proceeding on any GARVEE bonding because the state lacks matching funds.

Mr. Nuncio reviewed the potential regional funding impacts of \$389.5 million, the amount of money at risk for projects under construction (\$125 million), and those projects under construction or in operation including the Sprinter, the I-5/I-805 "merge," the I-15 Managed

Lanes, the East Village Access Improvements, MTS bus acquisition, the Oceanside Transit Center parking, and the Rideshare program.

Mr. Nuncio also reviewed the amount of funds at risk for projects that are ready to go or for right-of-way acquisition within the next 18 months, which totals \$264 million. Those projects include the State Route (SR) 905 freeway, SR 52 freeway, I-15 Bus Rapid Transit, I-5/Lomas Santa Fe Interchange, NCTD Bus Acquisition, Mid-Coast Light Rail Transit (LRT) Environmental and Design, and Caltrans Operational and Rehabilitation projects.

The overall economic impacts to the region are \$400 million, with job losses of 9,000, lost income of \$291 million, and a local tax loss of about \$40 million.

Mr. Nuncio provided possible funding options such as advancing future *TransNet* for eligible projects under a reimbursement agreement with the CTC, advancing future *TransNet* funds to provide the match for the GARVEE process (subject to CTC changing its policy language, and reconsidering SR 905 and SR 52 for GARVEE funding), and investigating a financing mechanism for Regional Surface Transportation Program/Congestion Mitigation and Air Quality (RSTP/CMAQ)-backed local bonds and funds via the Transportation Infrastructure Finance and Innovation Act, or TIFIA (a federal credit mechanism to facilitate projects).

Mr. Nuncio went over the upcoming state deadlines. The next steps are to continue monitoring the impact of state budget negotiations on local transportation projects, and prepare programming and reallocation proposals pending the outcome of those negotiations.

Chair Kellejian mentioned that last week he moderated a special legislative briefing in Sacramento convened by Senator Denise Ducheny. There was a combination of industry, business leaders, and government representatives, and the subject matters were: budget impacts on San Diego County, homeland security, housing, and transportation. He provided the transportation briefing and primarily presented the information that was just reviewed. The result was the desire to convene a special transportation workshop in the future for members of the State Legislature to take on these issues.

Mayor Cafagna asked about the payback protection for advancing funds out of *TransNet* dollars. He asked if we need to set up a discussion of this option and the ramifications of it. Mr. Pahlke agreed that staff could develop an analysis of this option and its ramifications and report back to the Committee. He noted that some of the projects on the "at risk" list are the *TransNet* Early Action projects that the Board adopted last week. Another project at risk is the Sprinter, and NCTD is using CMAQ funds to backfill the state funds.

Pedro Orso-Delgado, Caltrans District 11 Director, stated that there was a meeting of the statewide directors recently in San Diego. They reviewed the issue of using sales tax measure funds such as *TransNet* as a temporary measure given the state transportation budget shortfalls. The response was that Caltrans is probably going to work on setting up a process for sales tax measure revenues, and enter into Assembly Bill (AB) 3090 agreements with regional and local agencies. Projects having regional significance will fare better than local projects. From that point, we could move forward as a way of keeping this entire transportation infrastructure program moving.

Chair Kellejian asked Mr. Orso-Delgado to explain the AB 3090 program. He said that we want assurance we will get our money repaid. Mr. Orso-Delgado explained that AB 3090 is a funding mechanism where the local agency fronts money to the state. Imperial County recently went through this process for one of its interchange projects. One condition is that there needs to be a revenue stream to ensure the money is coming in, then the state would repay from future STIP monies.

Chair Kellejian agreed that some criteria needs to be developed and projects prioritized for this type of funding mechanism throughout the State of California.

Councilmember Feller said that he read in a recent news article about Governor Schwarzenegger having a surprise in store for us in a couple of weeks. He asked if anyone else had heard about that. Mr. Nuncio said it was his understanding that the Governor's proposal will have to do with proposed legislation to allow greater public/private partnerships to be implemented. Another significant action is that it is the CTC's policy that matching funds for GARVEE bonds have to come out of the STIP. What we are proposing is using local funds to match the GARVEE federal funds. It appears the CTC is becoming more receptive to this idea.

Chair Kellejian stated that the Caltrans Director is very receptive to public/private partnerships.

Councilmember Madaffer commented that the citizens of our county are being shortchanged. About 75 percent of funds coming into the county are subject to the whims of the state budget. He said that we could be acting to alleviate traffic congestion, but are hamstrung by the state's budget situation. At some point, this organization ought to look at any and all options available from a legal and legislative standpoint to prevent transportation dollars from being diverted. We should explore the legal options against the State of California. He suggested that we get with other self-help counties to band together against the state.

Councilmember Scott Peters (City of San Diego) said it is reasonable to question whether we can loan the *TransNet* money to the state and get it paid back. We earmarked an awful lot of projects. What are the implications for the *TransNet* program of projects. He asked if we decide to depart from that program, what would be the criteria to make the decision about where the money is spent.

Chair Kellejian said that we have a Regional Transportation Plan (RTP) in place (MOBILITY 2030). Mr. Pahlke stated that as part of the current and future *TransNet*, we have a plan of finance that lays out the financial situation for projects that were included in those plans. We will be updating the *TransNet* plan of finance, including refining the funding estimates that will reflect the current delay, what that means to project schedules and funding, what *TransNet* funds could be advanced under the AB 3090 mechanism, and guaranteed paybacks. We are working to set up the *TransNet* Independent Taxpayer Oversight Committee, and will work through it and this Committee on these issues.

Councilmember Peters said that if we change the *TransNet* spending plans, we will have to choose between projects.

Mr. Pahlke noted that the RTP update will be conducted during this next year.

Supervisor Slater-Price said that the problem is that we supported passage of Proposition 42 that contained the funding loophole. Because of that, we don't have legal recourse. If the Governor declares a state of emergency, then the money can be diverted. We should not support any proposals containing that loophole.

Supervisor Slater-Price mentioned an interesting article in the North County Times, where the Governor is now saying that transportation is a major focus for his term and he is interested in private/public partnerships. That means toll roads in partnership with the government. This is not an unreasonable proposal. We need to review this proposal and look at the possibility, including how much is required to build projects, and how to divide this cost between private and public interests, and then set an appropriate sunset date with a reasonable set-aside for maintenance purposes. However, she cautioned that the freeway toll cost should not continue to escalate and we should avoid double taxation.

MTS Chair Williams asked about the status of the MTS bus acquisition project. Mr. Nuncio replied that the CTC has given authorization to spend those monies, but those funds have not been reimbursed to the local agency. He added that for the MTS bus acquisition there was a \$10 million advance granted to MTS.

Mr. Pahlke stated that we will figure out a way not to stop construction or bus acquisitions.

Public comments:

Robert Hoffman, representing SMART, said that he now understands the rationale behind SANDAG activities; transportation projects are just a mechanism for taking care of job losses.

Chuck Lungerhausen, a member of the public, commented that with the state continuing to take transportation funds, he hoped the electorate would receive an explanation as to why some transportation projects are not finished in a timely fashion and why traffic seems to get worse. Public transportation is part of our infrastructure and its operation and continuation to update our transit vehicles should be funded by some kind of tax from a consistent source. These one-time grant agreements are not the way to fund a budget. One-third of a half-cent sales tax does not do the job either. Continually increasing transit fares means that you run the risk of losing tourist dollars. Other areas have a better tax support for their public transportation system than San Diego. We are in competition with other cities for tourist dollars as a result.

Action: The report was presented for information.

6. UPCOMING MEETINGS

The next meetings of the Transportation Committee are scheduled for February 18, 2005 and March 4, 2005.

7. ADJOURNMENT

Chair Kellejian adjourned the meeting at 10:37 a.m.

Attachment: Attendance Sheet

**CONFIRMED ATTENDANCE
SANDAG TRANSPORTATION COMMITTEE MEETING
FEBRUARY 4, 2005**

GEOGRAPHICAL AREA/ ORGANIZATION	JURISDICTION	NAME	MEMBER/ ALTERNATE	ATTENDING	COMMENTS
North County Coastal	City of Solana Beach	Joe Kellejian (Chair)	Member	Yes	
	City of Encinitas	Jerome Stocks	Alternate	Yes	
North County Inland	City of Poway	Mickey Cafagna	Member	Yes	
	City of San Marcos	Corky Smith	Alternate	Yes	
East County	City of Santee	Jack Dale	Member	Yes	
	City of Santee	Hal Ryan	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	Member	Yes	
	----	Scott Peters	Alternate	Yes	
		Dick Murphy	Alternate	No	
County of San Diego	----	Ron Roberts	Member	Yes	
	----	Pam Slater-Price	Alternate	Yes	
	----	Dianne Jacob	Alternate	No	
Metropolitan Transit Development Board	City of Poway	Bob Emery	Member	Yes	
	MTDB	Leon Williams	Alternate	Yes	
North County Transit Development Board	City of Oceanside	Jack Feller	Member	Yes	
	City of Vista	Judy Ritter	Alternate	Yes	
	City of Del Mar	Dave Druker	Alternate	No	
San Diego County Regional Airport Authority	City of Lemon Grove	Mary Sessom	Member	Yes	
	Governor's Appointee	Xema Jacobson	Alternate	Yes	
ADVISORY/LIAISON Caltrans	----	Pedro Orso-Delgado	Member	Yes	
	—	Bill Figge	Alternate	No	