



Board of Directors Agenda

Friday, March 22, 2024

9 a.m.

Welcome to SANDAG. The Board of Directors meeting scheduled for Friday, March 22, 2024, will be held in person in the SANDAG Board Room. While Board of Directors members will attend in person, members of the public will have the option of participating either in person or virtually.

For public participation via Zoom webinar, click the link to join the meeting: <https://us02web.zoom.us/j/85959245337>

Webinar ID: 859 5924 5337

To participate via phone, dial a number based on your current location in the US:

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Public Comments: Members of the public may speak to the Board of Directors on any item at the time the Board of Directors is considering the item. Public speakers are generally limited to three minutes or less per person.

Persons who wish to address the members on an item to be considered at this meeting, or on non-agendized issues, may email comments to the Clerk at clerkoftheboard@sandag.org (please reference Board of Directors meeting in your subject line and identify the item number(s) to which your comments pertain). Comments received by 4 p.m. the business day before the meeting will be provided to members prior to the meeting. All comments received prior to the close of the meeting will be made part of the meeting record.

If you desire to provide in-person verbal comment during the meeting, please fill out a speaker slip, which can be found in the lobby. If you have joined the Zoom meeting by computer or phone, please use the "Raise Hand" function to request to provide public comment. On a computer, the "Raise Hand" feature is on the Zoom toolbar. By phone, enter *9 to "Raise Hand" and *6 to unmute. Requests to provide live public comment must be made at the beginning of the relevant item, and no later than the end of any staff presentation on the item. The Clerk will call on members of the public who have timely requested to provide comment by name for those in person and joining via a computer, and by the last three digits of the phone number of those joining via telephone. Should you wish to display media in conjunction with your comments, please inform the Clerk when called upon. The Clerk will be prepared to have you promoted to a position where you will be able to share your media yourself during your allotted comment time. In-person media sharing must be conducted by joining the Zoom meeting on the personal device where the content resides. Please note that any available chat feature on the Zoom meeting platform should be used by panelists and attendees solely for procedural or other "housekeeping" matters as comments provided via the chat feature will not be retained as part of the meeting record. All comments to be provided for the record must be made in writing via email or speaker slip, or verbally per the instructions above.

In order to keep the public informed in an efficient manner and facilitate public participation, SANDAG provides access to all agenda and meeting materials online at sandag.org/meetings. Additionally, interested persons can sign up for email notifications at sandag.org/subscribe. A physical copy of this agenda may be viewed at the SANDAG Toll Operations Office, 1129 La Media Road, San Diego, CA 92154, at any time prior to the meeting.

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This meeting will be conducted in English, and simultaneous interpretation will be provided in Spanish. Interpretation in additional languages will be provided upon request to ClerkoftheBoard@sandag.org at least 72 business hours before the meeting.

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Vision Statement: *Pursuing a brighter future for all*

Mission Statement: *We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.*

Our Commitment to Equity: *We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.*

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. The SANDAG equity action plan will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

Board of Directors

Friday, March 22, 2024

Comments and Communications

1. Non-Agenda Public Comments/Member Comments

Members of the public shall have the opportunity to address the Board of Directors on any issue within the jurisdiction of SANDAG that is not on this agenda. Public speakers are limited to three minutes or less per person. Public comments under this agenda item will be limited to five public speakers. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Board members and SANDAG staff also may present brief updates and announcements under this agenda item.

Consent

+2. Approval of Meeting Minutes

Approve

Victoria Stackwick, Tessa Lero, SANDAG

The Board of Directors is asked to approve the minutes from its February 23, 2024, regular meeting; and its March 8, 2024, Retreat.

[2A - Meeting Minutes.pdf](#)

[2B - Retreat Minutes.pdf](#)

+3. Chief Executive Officer Delegated Actions*

Information

Dawn Vettese, Beth Lupu, SANDAG

In accordance with various Board Policies, this report summarizes delegated actions taken by the Chief Executive Officer.

[CEO Delegated Actions.pdf](#)

[Att. 1 - Investment Securities Transactions Activity - February 2024.pdf](#)

[Att. 2 - Budget Transfers and Amendments - February 2024.pdf](#)

+4. 2024 Bike Month and SANDAG Bike Anywhere Day Proclamation

Adopt

Robyn Wapner, Khalisa Bolling, Rachel Forseth, SANDAG

The Board of Directors is asked to adopt Resolution No. 2024-17, supporting May as Bike Month, and encouraging member agencies to approve similar proclamations and promote Bike Month activities including SANDAG Bike Anywhere Day.

[2024 Bike Month and SANDAG Bike Anywhere Day Proclamation.pdf](#)

[Att. 1 - Resolution 2024-17 SANDAG Bike Anywhere Day 2024.pdf](#)

[Att. 2 - Regional Bike EAP - Progress Update Winter 2023-2024.pdf](#)

+5. Funding for Preliminary Planning Studies for a Regional Beach Sand Project III

Approve

Antoinette Meier, Courtney Becker, SANDAG

The Board of Directors is asked to approve a budget amendment total of \$433,657 for preliminary planning studies for a third regional beach sand project.

[Funding for Preliminary Planning Studies for a RBSP III.pdf](#)

[Att. 1 - Shoreline Budget Amendment Work Element No 3200200.pdf](#)

- | | |
|--|--------------------|
| <p>+6. Housing Acceleration Grant Program: Proposed Amendments
 <i>Susan Huntington, Jenny Russo, SANDAG</i></p> <p>The Board of Directors is asked to approve changes to the Cycle 1 Housing Acceleration Program project scopes of work for the City of Santee's CEQA Analysis for Town Center Multifamily Housing Sites and the County of San Diego's Objective Design Standards.</p> <p>Housing Acceleration Grant Program Proposed Amendments.pdf
 Att. 1 - City of Santee Amendment Request.pdf
 Att. 2 - County of San Diego Amendment Request.pdf</p> | <p>Approve</p> |
| <p>+7. Overview of Developments in the Financial Markets, Quarterly Finance Report as of December 31, 2023*
 <i>Ray Major, Andre Douzajian, SANDAG</i></p> <p>This report provides an update on the latest developments in the financial markets, economy, sales tax revenues, and strategies being explored and implemented to minimize possible impacts to the TransNet Program.</p> <p>Quarterly Financial Report.pdf
 Att. 1 - Financial Market Review and Update.pdf
 Att. 2 - Local Economy and Sales Tax Revenue.pdf
 Att. 3 - Investment and Debt Portfolio.pdf
 Att. 4 - TransNet Extension Quarterly Report.pdf</p> | <p>Information</p> |
| <p>+8. Approval of Proposed Contract Awards: Inland Rail Trail Bikeway Project and Batiquitos Lagoon Double Track Project
 <i>Melissa Coffelt, Kelly Mikhail, SANDAG</i></p> <p>The Board of Directors is asked to authorize the Chief Executive Officer to award a contract to the vendor identified in this report for the Inland Rail Trail Phase 3B Bikeway Project and a task order amendment for the Batiquitos Lagoon Double Track Project.</p> <p>Approval of Proposed Contract Awards IRT Project and Batiquitos Lagoon Double Track Project.pdf</p> | <p>Approve</p> |
| <p>+9. Meetings and Events Attended on Behalf of SANDAG
 <i>Victoria Stackwick, Francesca Webb, SANDAG</i></p> <p>This report provides an update on meetings and events attended by Board members.</p> <p>Meetings and Events.pdf</p> | <p>Information</p> |

Reports

- | | |
|---|--|
| <p>10. Regional Housing Needs Assessment
 <i>Director Gustavo Velasquez, California Department of Housing and Community Development</i></p> <p>Gustavo Velasquez will present an update on the Department's efforts to develop recommendations related to the Regional Housing Needs Assessment process and methodology.</p> | <p>Discussion</p> |
| <p>+11. Draft FY 2025 SANDAG Program Budget*
 <i>Ray Major, Susan Huntington, SANDAG</i></p> | <p>Discussion/
Possible
Action</p> |

The Board of Directors is asked to consider the [Draft FY 2025 Program Budget](#) and to either approve the draft budget as presented, or to direct staff to either make specified revisions to the draft budget or provide the Board with additional information regarding projected revenues or proposed expenditures in the draft budget.

[Att. 2 - Draft FY 2025 SANDAG Program Budget](#)

[Draft FY 2025 SANDAG Program Budget.pdf](#)

[Att. 1 - Budget in Brief.pdf](#)

[Att. 3 - Overall Authority, Responsibilities, and Mandates.pdf](#)

[Att. 4 - Strategic Planning Framework.pdf](#)

[Att. 5 - Current Funding Environment.pdf](#)

[Att. 6 - FY 2025 Staffing Resources, Compensation Programs, and Employee Benefits.pdf](#)

[Supporting Materials.pdf](#)

12. Closed Session: Conference With Legal Counsel - Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(D)(2) (One Potential Case)

John Kirk, SANDAG

13. Adjournment

The next Board of Directors meeting is scheduled for Friday, April 12, 2024, at 10 a.m.

+ next to an agenda item indicates an attachment

* next to an agenda item indicates that the Board of Directors also is acting as the San Diego County Regional Transportation Commission for that item

February 23, 2024, Meeting Minutes

[View Meeting Video](#)

Chairwoman Nora Vargas (County of San Diego) called the meeting of the Board of Directors to order at 9 a.m.

1. Non-Agenda Public Comments/Member Comments

Public comments: Rita Clement, Truth, AJ Estrada, Robert Germann, and Michael Brando.

Member comments: Deputy Mayor Katie Melendez (City of Vista).

Chairwoman Vargas presented brief agency updates.

Chief Executive Officer Coleen Clementson presented brief agency updates.

Consent

2. Approval of Meeting Minutes

The Board of Directors was asked to approve the minutes from its February 9, 2024, meeting.

3. Policy Advisory Committee Actions

The Board of Directors was asked to ratify the actions taken by the Policy Advisory Committees since the last Board meeting.

4. FY 2025 to FY 2029 TransNet Program and Transit-Related Revenues

The Transportation Committee recommended that the Board of Directors approve the FY 2025 to FY 2029 estimates and apportionments for Transportation Development Act, Federal Transit Administration, and TransNet funds.

5. Proposed 2024 Legislative Program

The Executive Committee recommended that the Board of Directors approve the proposed 2024 Legislative Program.

6. TransNet Regional Transportation Congestion Improvement Program Proposed Fee Adjustment*

The Board of Directors was asked to approve a 4.9% adjustment to the Regional Transportation Congestion Improvement Program, raising the fee from \$2,741.97 to \$2,875.06 beginning July 1, 2024.

7. FY 2024 Program Budget Amendment: San Ysidro Mobility Hub

The Board of Directors was asked to approve an amendment to the FY 2024 Program Budget, accepting \$785,400 in funding from the Federal Transit Administration to support the San Ysidro Mobility Hub project (Overall Work Program Element No. 3322300).

8. Chief Executive Officer Delegated Actions*

In accordance with various Board Policies, this report summarized delegated actions taken by the Chief Executive Officer.

9. Approval of Proposed Solicitation: Freeway Service Patrol Project

The Board of Directors was asked to authorize the Chief Executive Officer to conduct a solicitation for Freeway Service Patrol services.

Public comments: Truth, Paul the Bold, Consuelo, Mark, Corinna Contreras, Mike, and Mark.

Action: Upon a motion by Councilmember Carolina Chavez (City of Chula Vista), and a second by Chairwoman Vargas, the Board voted to approve the Consent Agenda including an amendment to Item No. 5, to add a goal under the support section that would read: efforts assisting and implementation of SANDAG Resolution No. 2023-11, to eliminate the debt and toll only operations on the SR 125 by 2027.

The motion passed.

Yes: Chairwoman Vargas, Councilmember Melanie Burkholder (City of Carlsbad), Councilmember David Zito (City of Del Mar), Councilmember Chavez, Councilmember John Duncan (City of Coronado), Mayor Dave Druker (City of Del Mar), Councilmember Steve Goble (City of El Cajon), Mayor Tony Kranz (City of Encinitas), Mayor Dane White (City of Escondido), Councilmember Jack Fisher (Imperial Beach), Councilmember Jack Shu (City of La Mesa), Councilmember Alysson Snow (City of Lemon Grove), Councilmember Luz Molina (City of National City), Deputy Mayor Ryan Keim (City of Oceanside), Councilmember Raul Campillo (City of San Diego), Mayor Rebecca Jones (City of San Marcos), Mayor John Minto (City of Santee), and Deputy Mayor Melendez.

No: None.

Abstain: None.

Absent: City of Poway.

Reports

10. Otay Mesa East Port of Entry Update Hearing Reauthorizing Stated Public Use for Property Acquired for The Inland Rail Trail Project

Chairwoman Vargas opened the public hearing at 9:50 a.m.

The Board of Directors was asked to receive public testimony and adopt Resolution Nos. 2024-15 and 2024-16, by a two-thirds vote to reauthorize the stated use for property previously acquired for Phases 3 and 4 of the Inland Rail Trail project.

Public comments: Rita Clement, Bee Mittermiller, Truth, Mark, Paul the Bold, Consuelo, Angelina Neglia, Steve Gelb, The Original Dra, and Leif Gensert.

Chairwoman Vargas closed the public hearing at 10:14 a.m.

Action: Upon a motion by Mayor Jones, and a second by Councilmember Burkholder, the Board voted to adopt Resolution Nos. 2024-15 and 2024-16, to reauthorize the stated use for property previously acquired for Phases 3 and 4 of the Inland Rail Trail project.

The motion passed.

Yes: Chairwoman Vargas, Councilmember Burkholder, Councilmember Zito, Councilmember Chavez, Councilmember Duncan, Mayor Druker, Councilmember Goble, Mayor Kranz, Mayor White, Councilmember Fisher, Councilmember Shu, Councilmember Snow, Councilmember Molina, Deputy Mayor Keim, Councilmember Campillo, Mayor Jones, Mayor Minto, and Deputy Mayor Melendez.

No: None.

Abstain: None.

Absent: City of Poway.

11. Airport Transit Connection

Regional Planning Program Managers Keith Greer and Jennifer Williamson presented an update on the Airport Transit Connection project and the steps being taken to prepare the project for future environmental analysis.

Public comments: Rita Clement, Truth, Robert Germann, Bee Mittermiller, AJ Estrada, Cori Schumacher, Francisco Peña, Christopher Allen, Paul the Bold, Mark, Corinna Contreras, Suhas Ketkar, Paul Ceci, Bill Rogers, Monica Thrasher, Janet Rogers, Ancel Thompson, Elizabeth Geisse, Consuelo, Jeremy Bloom, Paul Herstein, Mike, Alex Wong, Leif Gensert, Shaquille Adams, The Original Dra, Connor, and Gessayan.

Action: Information.

Continued non-agenda comments: Cori Schumacher, Bee Mittermiller, Paul, Consuelo, Mark, Camilla Rang, Angelina Neglia, and The Original Dra.

Closed session public comments: Truth, Mark, Michael Brando, and The Original Dra.

Chair Vargas appointed Councilmember Zito to Chair the remainder of the meeting.

Councilmember Zito recessed the meeting to closed session at 11:42 a.m.

Councilmember Zito reconvened the meeting to open session at 12:07 p.m.

12. Closed Session - Conference with Legal Counsel Pursuant to Government Code Section 54956.9 (D) (4): Initiation of Litigation (One Potential Case)

Deputy General Counsel Amberlynn Deaton reported out of closed session: the Board of Directors met in closed session on Item 12, and there was no reportable action.

13. Adjournment

The next Board of Directors meeting is a Board Retreat scheduled for March 8, 2024, to be held at Salt Drift Pointe, 536 13th Street, Imperial Beach, CA 91932.

Councilmember Zito adjourned the meeting at 12:15 p.m.

Confirmed Attendance at Board of Directors Meeting

Board of Directors	Title	Name	Attend
City of Carlsbad	Councilmember	Melanie Burkholder (Primary)	Yes
City of Chula Vista	Councilmember	Carolina Chavez (Primary)	Yes
City of Coronado	Councilmember	John Duncan (Primary)	Yes
County of San Diego	Chairwoman	Nora Vargas (Primary)	Yes
County of San Diego	Supervisor	Joel Anderson (Primary)	Yes
City of Del Mar	Mayor	Dave Druker (Alternate)	Yes
City of El Cajon	Councilmember	Steve Goble (Alternate)	Yes
City of Encinitas	Mayor	Tony Kranz (Primary)	Yes
City of Escondido	Mayor	Dane White (Primary)	Yes
City of Imperial Beach	Councilmember	Jack Fisher (Primary)	Yes
City of La Mesa	Councilmember	Jack Shu (Primary)	Yes
City of Lemon Grove	Councilmember	Alysson Snow (Alternate)	Yes
City of National City	Councilmember	Luz Molina (Primary)	Yes
City of Oceanside	Deputy Mayor	Ryan Keim (Primary)	Yes
City of Poway	Mayor	Steve Vaus (Primary)	No
City of San Diego	Councilmember	Raul Campillo (Alternate)	Yes
City of San Diego	Councilmember	Vivian Moreno (1st Alt)	Yes
City of San Marcos	Mayor	Rebecca Jones (Primary)	Yes
City of Santee	Mayor	John Minto (Primary)	Yes
City of Solana Beach	Councilmember	David Zito (Alternate)	Yes
City of Vista	Deputy Mayor	Katie Melendez (Primary)	Yes
Caltrans	Acting Director	Roy Abboud (Alternate)	Yes
Metropolitan Transit System	Deputy Mayor	Matthew Leyba-Gonzalez (Primary)	Yes
North County Transit District	Deputy Mayor	Jewel Edson (Primary)	Yes
Imperial County	Supervisor	Jesus Eduardo Escobar	No
U.S. Department of Defense	Executive Director	Anna Shepherd (Alternate)	Yes
Port of San Diego	Commissioner	Dan Malcolm (Primary)	No
San Diego County Water Authority	Director	Mel Katz (Primary)	No
SDCRAA	Director	Gil Cabrera (Primary)	Yes
Mexico	Consul General	Alicia Kerber (Primary)	No
SCTCA	Chairwoman	Erica Pinto (Primary)	No
Association of Planning Groups	Chair	Robin Joy Maxson	Yes

March 8, 2024, Board of Directors Retreat Minutes

Chairwoman Nora Vargas (County of San Diego) called the Retreat of the Board of Directors to order at 9:06 a.m.

1. Non-Agenda Public Comments/Member Comments

Public comments: Jarrod Caswell, Mary Davis, Ignacio Martinez, Truth, and Reshae Cuevas.

Member comments: Mayor Tony Kranz (City of Encinitas) and Deputy Mayor Jewel Edson (City of Solana Beach).

2. SANDAG Board of Directors Workshop

This Board of Directors participated in team-building and informational sessions focused on regional opportunities, challenges, and cross-jurisdictional collaboration. Sessions included discussion on the role of a Metropolitan Planning Organization, the future of the San Diego region, discussion on the opportunities and challenges in the coming year, and long-term goals for the agency.

The Board of Directors Retreat recessed for lunch at 11:44 a.m.

The Board of Directors Retreat reconvened at 12:35 p.m.

Public comments: Truth and Mary Davis.

Action: Discussion.

3. Adjournment

The next Board of Directors meeting is scheduled for Friday, March 22, 2024, at 9 a.m.

Chairwoman Vargas adjourned the Retreat at 3:09 p.m.

Board of Directors Retreat Attendance

March 8, 2024

Board of Directors	Title	Name	Attended
City of Carlsbad	Councilmember	Melanie Burkholder (Primary)	Yes
	Mayor Pro Tem	Priya Bhat-Patel (1st Alt.)	No
	Mayor	Keith Blackburn (2nd Alt.)	No
City of Chula Vista	Councilmember	Carolina Chavez (Primary)	Yes
	Deputy Mayor	Alonso Gonzalez (1st Alt.)	No
	Councilmember	Jose Preciado (2nd Alt.)	No
City of Coronado	Councilmember	John Duncan (Primary)	Yes
	Councilmember	Mike Donovan (1st Alt.)	No
	Mayor	Richard Bailey (2nd Alt)	No
County of San Diego (Seat A)	Chairwoman	Nora Vargas (Primary)	Yes
	Supervisor	Terra Lawson-Remer (Alt)	No
	Supervisor	Monica Montgomery Steppe (Alt)	No
County of San Diego (Seat B)	Supervisor	Joel Anderson (Primary)	No
	Supervisor	Terra Lawson-Remer (Alt)	No
	Supervisor	Monica Montgomery Steppe (Alt)	No
City of Del Mar	Deputy Mayor	Terry Gaasterland (Primary)	Yes
	Councilmember	Tracy Martinez (1st Alt.)	No
	Mayor	Dave Druker (2nd Alt)	Yes
City of El Cajon	Mayor	Bill Wells (Primary)	No
	Councilmember	Steve Goble (Alternate)	No
City of Encinitas	Mayor	Tony Kranz (Primary)	Yes
	Councilmember	Kellie Hinze (1st Alt.)	No
	Deputy Mayor	Joy Lyndes (2nd Alt.)	No
City of Escondido	Mayor	Dane White (Primary)	Yes
	Councilmember	Michael Morasco (Alt)	No
	Councilmember	Joe Garcia (2 Alt)	No
City of Imperial Beach	Councilmember	Jack Fisher (Primary)	Yes
	Councilmember	Mitch McKay (1st Alt)	No
	Mayor Pro Tem	Matthew Leyba-Gonzalez (2nd Alt.)	Yes

Board of Directors	Title	Name	Attended
City of La Mesa	Councilmember	Jack Shu (Primary)	Yes
	Councilmember	Patricia Dillard (1st Alt)	Yes
City of Lemon Grove	Mayor	Racquel Vasquez (Primary)	No
	Councilmember	George Gastil (1st Alt.)	No
	Councilmember	Alysson Snow (2nd Alt.)	No
City of National City	Councilmember	Luz Molina (Primary)	Yes
	Councilmember	Jose Rodriguez (1st Alt.)	Yes
	Mayor	Ron Morrison (2nd Alt.)	No
City of Oceanside	Deputy Mayor	Ryan Keim (Primary)	Yes
	Councilmember	Rick Robinson (Alt)	No
City of Poway	Mayor	Steve Vaus (Primary)	No
	Deputy Mayor	Caylin Frank (1st Alt)	No
	Councilmember	Brian Pepin (2nd Alt.)	No
City of San Diego (Seat A)	Mayor	Todd Gloria (Primary)	No
	Councilmember	Raul Campillo (1st Alt)	No
	Council President Pro Tem	Joe LaCava (2nd Alt)	Yes
City of San Diego (Seat B)	Vice Chair	Sean Elo-Rivera (Primary)	Yes
	Councilmember	Vivian Moreno (1st Alt)	Yes
	Councilmember	Marni Von Wilpert (2nd Alt)	No
City of San Marcos	Mayor	Rebecca Jones (Primary)	Yes
	Councilmember	Ed Musgrove (1st Alt.)	No
	Deputy Mayor	Sharon Jenkins (2nd Alt)	No
City of Santee	Mayor	John Minto (Primary)	Yes
	Councilmember	Laura Koval (1st. Alt.)	Yes
	Councilmember	Ronn Hall (2nd Alt)	No
City of Solana Beach	Second Vice Chair	Lesa Heebner (Primary)	Yes
	Councilmember	David Zito (1st Alt.)	Yes
	Deputy Mayor	Jewel Edson (2nd Alt.)	Yes

Board of Directors	Title	Name	Attended
City of Vista	Deputy Mayor	Katie Melendez (Primary)	Yes
	Councilmember	Dan O'Donnell (1st Alt.)	No
	Mayor	John Franklin (2nd Alt.)	No

Advisory Members	Title	Name	Attended
Caltrans	Director	Everett Townsend (1st Alt.)	Yes
	Deputy Director	Roy Abboud (2nd. Alt.)	No
Metropolitan Transit System	Mayor Pro Tem	Matthew Leyba-Gonzalez (Primary)	Yes
	Councilmember	Patricia Dillard (Alternate)	No
	Councilmember	Ronn Hall (Alternate)	No
North County Transit District	Deputy Mayor	Jewel Edson (Primary)	No
	Mayor Pro Tem	Priya Bhat-Patel (1st Alt.)	No
	Councilmember	Sharon Jenkins (2nd Alt.)	No
Imperial County	Supervisor	Jesus Eduardo Escobar (Primary)	No
U.S. Department of Defense	Executive Director	Dennis Keck (Primary)	Yes
		Anna Shepherd (Alternate)	Yes
		Muska Laiq (Alternate)	Yes
Port of San Diego	Commissioner	Dan Malcolm (Primary)	No
		Job Nelson (Alternate)	Yes
San Diego County Water Authority		Mel Katz (Primary)	Yes
		Nick Serrano (1st Alt)	No
		Consuelo Martinez (2nd Alt.)	No
SDCRAA [DNP]		Gil Cabrera (Primary)	Yes
		James Sly (Alt)	No
Mexico	Consul General	Alicia Kerber-Palma (Primary)	No
	Deputy Consul General	Gilberto Luna (Alternate)	No
SCTCA	Chairman	Cody Martinez (Primary)	No
	Chairwoman	Erica Pinto (Alt)	No

Advisory Members	Title	Name	Attended
Association of Planning Groups – San Diego County	Chairwoman	Robin Joy Maxon	Yes
		Eileen Delaney	Yes

DRAFT

Chief Executive Officer Delegated Actions*

Overview

Various Board Policies require the Chief Executive Officer to report certain actions to the Board of Directors monthly or upon taking specified actions.

Action: Information

In accordance with various Board Policies, this report summarizes delegated actions taken by the Chief Executive Officer.

Delegated Actions

Investment Transactions: [Board Policy No. 003](#), Section 11.2, states that a monthly report of all investment transactions shall be submitted to the Board. Attachment 1 contains the reportable investment transactions for February 2024.

Fiscal Impact:

Three securities reached maturity in February for \$15.8 million, and three securities were purchased for \$16.7 million.

Schedule/Scope Impact:

None.

Legal Matters: [Board Policy No. 008](#), Section 6.1, authorizes the Office of the General Counsel or outside counsel to file documents and make appearances on behalf of the agency in court proceedings.

In the matter of He v. Metropolitan Transit System (Superior Ct. Case No. 2021-00002319), the following actions were taken by Bremer Whyte Brown & O'Meara on behalf of SANDAG:

- On February 23, 2024, attended a Motion Hearing on Plaintiff's Attorney's Motion to be Relieved as Counsel.

In the matter of Johnson v. SANDAG (Superior Ct. Case No. 2022-00050113), the following actions were taken by Quarles & Brady on behalf of SANDAG:

- On February 28, 2024, filed a Joint Stipulation to Continue Trial and Related Dates, Proposed Order.

In the matter of Neel v. City of San Diego (Superior Ct. Case No. 2023-00011222), the following actions were taken by Quarles & Brady on behalf of SANDAG:

- On February 23, 2024, filed a Motion for Summary Judgment and/or Adjudication and supporting documents.
- On March 4, 2024, filed a Notice of Errata in Support of SANDAG's Motion for Summary Judgment.

In the matter of Warrem v. City of San Diego (Superior Ct. Case No. 2023-00050222), the following actions were taken by Quarles & Brady on behalf of SANDAG:

- On February 28, 2024, filed a Stipulation to Arbitrate.

Right-of-Way Certification: [Board Policy No. 017](#), Section 4.15, authorizes the Chief Executive Officer to execute Right-of-Way Certifications for submittal to the California Department of Transportation, and take all other actions necessary to facilitate the timely filing of such certifications, for SANDAG projects that are either on the State Highway System or for those off-system projects with federal funding.

- Inland Rail Trail Phase 3B Bikeway, CIP 1223094, Federal ID No. ATPL-6066(140), Cert. No. 1, approved on February 12, 2024.

California Environmental Quality Act (CEQA): [Board Policy No. 017](#), Section 4.17, authorizes the Chief Executive Officer to approve exemptions and addendums to a previously-approved Environmental Impact Report or Negative Declaration consistent with CEQA Section 15164 where only minor technical changes or additions are necessary.

- Notice of Exemptions for the sale of land located at 5965 and 5975 Santa Fe Street in the City of San Diego, California, referred to as Assessor's Parcel Numbers 359-010-40 & 359-010-41, was signed by SANDAG's Chief Executive Officer on February 2, 2024.

Real Property Transfer: [Board Policy No. 017](#), Section 4.3, authorizes the Chief Executive Officer to execute all real property transfer documents, including but not limited to, rights of entry, licenses, leases, deeds, easements, escrow instructions, and certificates of acceptance. The following real property agreement was approved:

- On March 8, 2024, a First Amendment to Purchase and Sale Agreement between SANDAG and Rexford Industrial Acquisitions, LLC was executed for the properties at 5965 and 5975 Santa Fe Street, San Diego, CA 92109. The Amendment extended the escrow period by 14 days.

Coleen Clementson, Chief Executive Officer

Attachments: 1. Investment Securities Transactions Activity – February 2024
2. Budget Transfers and Amendments – February 2024

MONTHLY ACTIVITY FOR INVESTMENT SECURITIES TRANSACTIONS
FEBRUARY 1 THROUGH FEBRUARY 29

Transaction Date	Security/Coupon/Maturity Date	Par Value	Original Cost
BOUGHT			
02/01/2024	US BANCORP M T N 4.653% 2/01/29	\$ 5,000,000.00	\$ 4,927,750.00
02/05/2024	MICROSOFT CORP 3.300% 2/06/27	6,000,000.00	5,819,460.00
02/14/2024	U S TREASURY NT 3.125% 11/15/28	6,300,000.00	5,995,110.95
	TOTAL BOUGHT:	<u>\$ 17,300,000.00</u>	<u>\$ 16,742,320.95</u>
MATURED			
02/05/2024	US BANCORP MTN 3.375% 2/05/24	\$ 5,000,000.00	\$ 5,208,050.00
02/06/2024	MICROSOFT CORP 2.875% 2/06/24	5,850,000.00	6,043,518.00
02/21/2024	INTER AMERICAN DEVEL 3.000% 2/21/24	5,000,000.00	5,436,150.00
	TOTAL MATURED:	<u>\$ 15,850,000.00</u>	<u>\$ 16,687,718.00</u>
SOLD			
	NO REPORTABLE SECURITIES FOR THIS MONTH		

FY 2024 BUDGET TRANSFERS AND AMENDMENTS
in '000s

PROJECT NUMBER	PROJECT NAME	CURRENT BUDGET	NEW BUDGET	CHANGE	EXPLANATION
2300000	Data Science, Analytics and Modeling	\$15,788.00	\$15,588.00	(\$200.00)	Moving funds to IT to cover contract costs
8000190	Business Information and Technology Services	\$5,366.00	\$5,566.00	\$200.00	

2024 Bike Month and SANDAG Bike Anywhere Day Proclamation

Overview

This May, SANDAG will promote 2024 Bike Month to encourage biking as a viable, fun, and healthy transportation choice for everyday trips. The theme is “Where Will the Ride Take You?”

In support of 2024 Bike Month, SANDAG is providing free bike education services for schools and employers, and is hosting the reinvented SANDAG Bike Anywhere Day, formerly Bike to Work Day, on Thursday, May 16, 2024.

Key Considerations

As part of the SANDAG Bike Anywhere Day on Thursday, May 16, 2024, people of all ages and abilities are encouraged to GO by BIKE throughout the day and pick-up a free t-shirt at one of our pit stops from 7 to 10 a.m. This year’s event is broadened beyond work commuters to encourage everyone to ride.

Pit stop locations throughout the San Diego region will highlight newly opened bikeways and provide encouragement, refreshments, and t-shirts to people who have signed up for SANDAG Bike Anywhere Day. Interested participants will have the opportunity to attend a “Know Before You Go” seminar to assist in planning their routes, learn about new bike infrastructure, bikeway projects, and important safety tips. Complimentary bike education classes, bike safety check events, and instructional group rides will also be provided by SANDAG.

SANDAG has built 23 miles of new bikeways under the Regional Bike Early Action Program, with 16 more projects currently in progress and 17.9 miles of new bikeways nearing construction now (Attachment 2). SANDAG Bike Anywhere Day is the perfect time to ride to the beach, park, work, school, and local restaurants.

Next Steps

SANDAG member agencies are asked to issue their own 2024 Bike Month proclamations, modeled after SANDAG Resolution No 2024-17 and promote Bike Month and SANDAG Bike Anywhere Day within their own jurisdictions (Attachment 1).

Additionally, member agencies can support Bike Month by pledging to participate in SANDAG Bike Anywhere Day and/or hosting a pit stop; street sweeping bike lanes ahead of SANDAG Bike Anywhere Day on Thursday, May 16; offering a SANDAG bike education class or group ride for agency employees; distributing bike safety information; or hosting a community event that encourages community members to enjoy where the ride takes them.

SANDAG Bike Anywhere Day pledge and pit stop registration; and registration for complimentary bike education services are available on the Bike Month web page at [SANDAG.org/BikeMonth](https://www.sandag.org/BikeMonth).

Action: Adopt

The Board of Directors is asked to adopt Resolution No. 2024-17, supporting May as Bike Month, and encouraging members agencies to approve similar proclamations and promote Bike Month activities including SANDAG Bike Anywhere Day.

Fiscal Impact:

Activities in support of 2024 Bike Month and SANDAG Bike Anywhere Day are funded in the FY 2024 Program Budget through Overall Work Program Element No. 3310711.

Schedule/Scope Impact:

Upcoming SANDAG bike events and activities taking place between march and June 2024. Bike Month occurs every May.

Robyn Wapner, Director of Public Affairs

- Attachments: 1. Resolution No. 2024-17: SANDAG Bike Anywhere Day 2024
2. Regional Bike Early Action Program – Progress Update Winter 2023-2024



401 B Street, Suite 800
San Diego, CA 92101
Phone (619) 699-1900
Fax (619) 699-1905
sandag.org

Resolution No. 2024-17

SANDAG Bike Anywhere Day 2024

WHEREAS, THE MONTH OF May is National Bike Month, and May 16, 2024, is the proposed SANDAG Bike Anywhere Day in the San Diego region; and

WHEREAS, there are nearly 1,800 miles of bikeways in the San Diego region, making it one of the best places to explore local communities and to bike to the beach, park, school, work, or local restaurants; and

WHEREAS, biking is an emission-free and healthy transportation alternative to short car trips that reduces traffic congestion; and

WHEREAS, the San Diego Association of Governments (SANDAG) is organizing SANDAG Bike Anywhere Day on Thursday, May 16, 2024, to encourage students, families, commuters, bike enthusiasts, and people new to biking to replace a car trip with a bike trip and sign up to bike to an official pit stop from 7 a.m. to 10 a.m. on Thursday, May 16, 2024; and

WHEREAS, the SANDAG is coordinating Bike Local Day on May 18, 2024, to encourage area residents to try biking in their community to the beach, park, store, or local restaurants;

NOW THEREFORE BE IT RESOLVED, that SANDAG hereby proclaims May 2024 as Bike Month and May 16, 2024, as SANDAG Bike Anywhere Day, and encourages everyone to ride a bike this May and throughout the year.

PASSED AND ADOPTED this 22nd day of March, 2024.

Attest:

Chair

Secretary

Member Agencies: Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, Vista, and County of San Diego.

Advisory Members: California Department of Transportation, Metropolitan Transit System, North County Transit District, Imperial County, U.S. Department of Defense, Port of San Diego, San Diego County Water Authority, Southern California Tribal Chairmen's Association, and Mexico.

23.1 MILES BUILT

15.3 MILES UNDER CONSTRUCTION

16 PROJECTS IN PROGRESS

17.9 MILES NEARING CONSTRUCTION*

QR CODE

*REFLECTS PROJECTS IN THE FINAL DESIGN PHASE

San Diego Regional Bike Plan Early Action Program (EAP)	Planning	Environmental	Final Design	Construction	Open to Public
Coastal Rail Trail – Oceanside					Early 2014
Sweetwater Bikeway – Plaza Bonita Segment					Early 2015
Bayshore Bikeway – 32nd Street to Vesta Street					Mid-2015
Inland Rail Trail: Phase 1					Early 2017
SR 15 Commuter Bikeway					Mid-2017
Bayshore Bikeway – National City Segment					Early 2018
Coastal Rail Trail – Encinitas Chesterfield Drive to Santa Fe Drive					Mid-2019
Inland Rail Trail: Phase 2					Early 2021
Coastal Rail Trail – Rose Creek					Mid-2021
Fourth & Fifth Avenue Bikeways					Early 2022
Georgia – Meade Bikeway					Early 2022
Landis Bikeway					Early 2022
Pershing Bikeway					2024
Bayshore Bikeway – Barrio Logan Segment					2025
Imperial Avenue Bikeway					2025
Border to Bayshore					2025
Central Avenue Bikeway					2025
Washington Street & Bachman Place Bikeways					2026
Inland Rail Trail: Phase 3					2025
Orange Bikeway					2025
Eastern Hillcrest Bikeways					2025
University Bikeway					2026
Inland Rail Trail: Phase 4					2028
Robinson Bikeway					TBD
Mission Hills & Old Town Bike-ways					TBD
Howard Bikeway					TBD
Coastal Rail Trail – Encinitas Santa Fe Drive to F Street					TBD
San Diego River Trail – Carlton Oaks Segment					TBD

Through the Smart Growth Incentive Program (SGIP) and the Active Transportation Growth Program (ATGP), SANDAG helped fund the construction of more than 39 miles of new or improved bikeways throughout the region with an additional 21 miles of planned or proposed bikeways.

SANDAG also helped deliver more than 8.5 miles of new or improved bikeways through joint-agency projects including Build NCC, the first package of projects being constructed through the 40-year North Coast Corridor (NCC) Program, and the Mid-Coast Trolley Project, 1.5 miles of which are complete and open to the public.

Funding for Preliminary Planning Studies for a Regional Beach Sand Project III

Overview

The SANDAG FY 2024 Budget and Overall Work Plan includes a work element for Regional Shoreline Management Planning (Overall Work Program Project No. 3200200) with an objective to develop the necessary planning studies for a potential third regional beach sand project (RBSP III). Ten coastal jurisdictions have approved entering into agreements with SANDAG and have proposed to proportionately fund their share of these planning studies. The proposed action would amend the FY 2024 budget to include this additional funding.

Action: Approve

The Board of Directors is asked to approve a budget amendment total of \$433,657 for preliminary planning studies for a third regional beach sand project.

Fiscal Impact:

Budget for Overall Work Program Project No. 3200200 would be increased by \$433,657 with offsetting revenues provided from the participating coastal jurisdictions.

Schedule/Scope Impact:

None. Planning studies would be completed in 15 months.

Key Considerations

- SANDAG has successfully completed two previous RBSP's (2001, 2012) placing a total of 3.6 million cubic yards of sand on badly eroding beaches along San Diego's coastline.
- Recent coastal monitoring has indicated the need to initiate a third regional beach sand project.
- Completion of preliminary planning studies that include a feasibility and economic benefit assessment is necessary to attract federal and state grant funding for project implementation.
- All eight San Diego County coastal jurisdictions (i.e., Oceanside, Carlsbad, Encinitas, Solana Beach, Del Mar, San Diego, Coronado, and Imperial Beach) have approved agreements for funding their share of these studies. Proportionate contribution is based upon the mileage of sandy shoreline in the jurisdiction.
- The Cities of San Clemente and Dana Point have also submitted letters of interest to SANDAG to request their participation in the planning studies for a RBSP III. The inclusion of these cities into the RBSP III planning studies makes sense since they share the same sand transport system as north county San Diego, experience the similar beach erosion issues, and could help expand the ability to leverage future state and federal funding. The inclusion of these cities would not affect the cost or timeline to complete the San Diego portion of the RBSP III studies.

Next Steps

If approved, SANDAG would execute Memorandum of Understandings with the ten coastal cities to complete the planning studies within 15 months. Progress reports on this project would be provided to the Regional Planning Committee through the Shoreline Preservation Working Group.

Antoinette Meier, Senior Director of Regional Planning

Attachment: 1. Shoreline Budget Amendment: Work Element 3200200 Regional Shoreline Management Planning

Work Element: 3200200 Regional Shoreline Management Planning

Project Expenses			
	FY 2022 Actual	FY 2023 Estimated Actual	FY 2024 Budget
Salaries, Benefits, Indirect	\$79,556	\$125,007	\$158,812
Other Direct Costs	\$120	\$3,650	\$8,900
Contracted Services	\$154,765	\$158,872	\$163,215
			\$596,872
Total	\$234,441	\$287,529	\$330,927
			\$764,584

Annual Project Funding			
	FY 2022	FY 2023	FY 2024
Contribution from Local Cities or Member Agencies	\$154,764	\$158,872	\$163,215
			\$596,872
SANDAG Member Assessments	\$79,677	\$128,657	\$167,712
Total	\$234,441	\$287,529	\$330,927
			\$764,584

Objective

The objectives of this work element are to facilitate the region's adaptation to sea level rise, assess infrastructure at risk from sea level rise, develop the necessary planning studies for a potential beach nourishment project, continue the Regional Shoreline Monitoring Program, and facilitate the Shoreline Preservation Working Group. Emphasis in FY 2024 will be: (1) feasibility and cost benefit study for a beach nourishment project; (2) complete fall and spring sand monitoring studies; and (3) develop regional and interregional collaboration.

Previous Accomplishments

SANDAG has administered two regional beach sand projects (2001 and 2012). Shoreline monitoring, completed by SANDAG, in FY 2023 has indicated that it is time for another nourishment effort. In FY 2023 SANDAG has executed a memorandum of understanding with coastal jurisdictions to take the necessary first steps toward a new nourishment effort.

Justification

Shoreline preservation and restoration is an important climate adaptation strategy that leads to healthy beaches, which provide necessary habitat, recreation, and economic prosperity, in support of an overall healthy environment. In addition, healthy beaches act as a buffer to protect coastal infrastructure from high tides, strong storms, and sea-level rise thereby enhancing the resilience of the San Diego coastline. The program is guided by the SANDAG approved Shoreline Preservation Strategy, Coastal Regional Sediment Management Plan, and Sand Retention Strategy.

Project Manager: Greer, Keith
Committee(s): Regional Planning Committee
Working Group(s): Shoreline Preservation Working Group

PRODUCTS, TASKS, AND SCHEDULES FOR FY2024

Task No.	% of Effort	Task Description / Product / Schedule
1	25	<p>Task Description: Continue to monitor the regions beach sand resources through contracted services and monthly beach photo monitoring to track coastal changes over time</p> <p>Product: Monthly photo documentation Fall and Spring survey reports</p> <p>Completion Date: 6/30/20024</p>
2	30	<p>Task Description: Implementation of planning study for possible regional beach nourishment project.</p> <p>Product: Feasibility study and cost benefit analysis</p> <p>Completion Date: 6/30/20024</p>
3	20	<p>Task Description: Development of a regional sand opportunistic use permit (SCOUP) to ease the regulatory burden on local jurisdictions trying to place sand on the beach</p> <p>Product: Report outlining the steps to develop a regional SCOUP permit.</p> <p>Completion Date: 6/30/20024</p>
4	10	<p>Task Description: Development of interregional collaboration on shoreline management issues through participation as a member of the California Shore and Beach Preservation Association, American Shore and Beach Preservation Association, California Coastal Coalition, and San Diego Climate collaborative</p> <p>Product: Reports to Shoreline Preservation Working group and Regional Planning Committee. Conference materials and handouts, meeting notes, and newsletters</p> <p>Completion Date: 6/30/20024</p>
5	10	<p>Task Description: Collaborate, coordinate, and peer exchange solutions among coastal jurisdictions and stakeholders to address issues related to beach sand preservation and sea level adaptation strategies.</p> <p>Product: Quarterly Working Group meetings, reports, and presentations.</p> <p>Completion Date: 6/30/20024</p>

FUTURE ACTIVITIES

Continuation of regional sand monitoring and management studies, evaluation of adaptation strategies for sea level rise, completion of the planning studies for a Regional Beach Sand Project III for coastal jurisdictions, and incorporation of updated shoreline preservation strategies into the 2025 Regional Plan Sustainable Communities Strategy.

Note: Contributions for RBSP III Planning Studies

Jurisdiction	Funding Contribution
Oceanside	\$16,472
Carlsbad	\$29,741
Encinitas	\$26,538
Solana Beach	\$6,864
Del Mar	\$13,800
San Diego	\$79,600
Coronado	\$14,200
Imperial Beach	\$12,354
San Diego region subtotal: \$199,569	
City of San Clemente	\$109,512
City of Dana Point	\$124,576
Grand Total: \$433,657	

Housing Acceleration Grant Program: Proposed Amendments

Overview

In 2021, SANDAG established a Regional Housing Acceleration Program (HAP) to fund local jurisdiction projects that have a broader regional impact on housing using California Department of Housing and Community Development (HCD) Regional Early Action Planning (REAP) 1.0 funding. The Board of Directors adopted the funding recommendations for the Cycle 1 call for projects at its [March 11, 2022](#), meeting.

The project completion deadline for REAP 1.0 funding is June 30, 2024, to provide sufficient time for closeout activities with the State. Staff have been working with local jurisdictions who were awarded REAP 1.0 funding to ensure that their entire projects can be completed on time. Two of the awarded projects, the City of Santee's California Environmental Quality Act (CEQA) Analysis for Town Center Multifamily Housing Sites and the County of San Diego's Objective Design Standards, have requested changes to their project scopes of work to ensure that their obligations under the grant agreements can be met by the project completion deadline.

SANDAG [Board Policy No. 035](#) applies to all competitive grant programs administered through SANDAG and outlines competitive grant program procedures. Amendments to project scopes of work are not outlined in the Policy, and therefore, Board consideration is requested.

Key Considerations

The City of Santee's CEQA Analysis for Town Center Multifamily Housing Sites project will complete a project-level environmental impact report for the rezoning of 37.5 undeveloped acres within the city's Town Center from commercial/office uses to high-density/mixed-use residential uses. These sites are strategically located within 1/4 mile of the city's trolley station, near retail and services, office buildings, and employment centers, and along the city's planned multi-modal corridor (Mission Gorge Road). Based on the city's recently adopted Housing Element, the rezoning of these sites is anticipated to produce approximately 923 housing units, including 333 housing units affordable to low-income households.

The city is requesting to amend their HAP Cycle 1 project scope of work to remove the last task, the final EIR certification, and to extend the grant agreement to June 30, 2024. The city is anticipated to complete the EIR certification in October 2024, which is beyond the REAP 1.0 project completion deadline. Attachment 1 includes the city's request and the amended scope of work and project schedule.

The County of San Diego's Objective Design Standards will create objective design standards to implement the Sixth Cycle Housing Element (Housing Element) and comply with State law (Senate Bill [SB] 330, SB 35, and SB9). The objective design standards will help facilitate the production of housing in unincorporated communities by establishing clear guidelines and decreasing plan review time for certain projects.

Action: Approve

The Board of Directors is asked to approve changes to the Cycle 1 Housing Acceleration Program project scopes of work for the City of Santee's CEQA Analysis for Town Center Multifamily Housing Sites and the County of San Diego's Objective Design Standards.

Fiscal Impact:

None.

Schedule/Scope Impact:

If approved, the City of Santee and County of San Diego's project scopes of work will be amended to allow for these agencies to complete their project before the June 30, 2024.

At the time the County submitted its HAP Cycle 1 project for funding consideration, it believed that the project would require public hearings and a CEQA analysis. Since that time, County staff have determined that this work is no longer required and would like to remove the task from its scope of work. Additionally, due to changes in state law, additional parcels became eligible for consideration and the County has expanded its work to include the Valley Center area. County staff has requested that the budget for the public hearings and a CEQA analysis task be reallocated to cover the eligible parcels in Valley Center and to extend the grant agreement to June 30, 2024. Attachment 2 includes the County's request and the amended scope of work and project schedule.

Next Steps

If approved, staff will proceed with amending the grant agreements with the City of Santee and the County of San Diego. All HAP Cycle 1 projects will be completed no later than June 30, 2024.

If not approved, staff would request that the Board give direction on whether to request repayment of all or part of the grant funding provided by SANDAG to these grantees. SANDAG is required to provide deliverables to HCD to substantiate the incurred expenses and receive reimbursement from the state.

Susan Huntington, Director of Financial Planning, Budgets, and Grants

Attachments: 1. City of Santee Amendment Request
2. County of San Diego Amendment Request

February 29, 2024

Jenny Russo
Grants Program Manager
SANDAG
401 B Street, Suite 800
San Diego, CA 92101

SUBJECT: Amendment Request for Agreement Number No. S978600 Regarding the
CEQA Analysis for Town Center Multifamily Housing Sites Project

Dear Ms. Russo,

The City of Santee is requesting an amendment to agreement **No. S978600** for the **CEQA Analysis for Town Center Multifamily Housing Sites ("Project")**. The City is requesting a 2-month extension to this agreement. The requested 2-month extension will allow City staff, in coordination with the City's consultant on the Project, M.W. Steele Group, Inc., to complete the primary Project tasks which have been delayed due to the unanticipated retirement of the Project manager and the consolidation of the Project into a unified planning effort with a Smart Growth Incentive Program (SGIP) grant-funded project and City-funded project with overlapping Town Center Project areas, tasks, and goals and objectives. Although the 2-month extension would allow the City sufficient time to complete all of the primary tasks of the approved HAP grant (Tasks 1 through 5), the City anticipates that the last task (Task 6: Final EIR Certification) and a portion of Task 5 (Responses to Comments) would not be able to be achieved within the extended grant deadline. As such, the City respectfully requests a modification of the Scope of Work to modify the deliverables in Task 5, remove Task 6, and repurpose the funding corresponding to Task 6 to Task 4. The City would still complete Task 6, with an anticipated completion date in October 2024, however the completion date would be past the grant deadline for expenditure of funds. The grant goals and objectives would still be met.

Per Board Policy No. 035 regarding extension requests, the City is providing the following justification responses:

Previous efforts undertaken to maintain the Project schedule

On April 14, 2023 the City entered into a contract with a third-party consultant (M.W. Steele Group, Inc.) to complete the CEQA analysis and prepare the corresponding technical studies for the Project. The City worked diligently on consolidating the approved Project tasks with those of the SGIP grant-funded project (Agreement No. S1021810) and the City-funded Town Center Arts & Entertainment District project. Most of the work on the Town Center Specific Plan document has been completed, which has allowed the City and consultant to focus on the preparation of the corresponding Environmental Impact

Report (EIR). The City meets weekly and is in constant communication with the Project consultant and the subconsultant team working on the EIR for the Project, to ensure progress on HAP grant related tasks and to maintain the Project schedule.

A detailed explanation on the reason for the delay, and how it was unavoidable

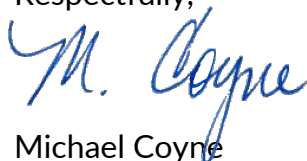
The Principal Planner for the City of Santee and Project manager retired unexpectedly at the end of December 2022, causing a delay in crafting a consolidated plan of action for the subject Housing Acceleration Program (HAP) grant-funded Project with the SGIP grant-funded project and City-funded Town Center Arts & Entertainment District project. The Principal Planner serves as the Project manager and the Principal Planner position was filled in February 2023. The new Project manager has since received approval for a unified planning effort for the subject HAP Project, SGIP grant-funded project and City-funded project that completes all approved grant tasks while achieving the goals and objectives of all three projects. All three projects cover the City of Santee's Town Center Specific Plan Area and the unifying documents are the updated Town Center Specific Plan and corresponding EIR. Most of the work on the Town Center Specific Plan document has been completed, however, as with any major planning effort requiring consultation with the City Council, some additional, unavoidable delays in the schedule for preparing this plan have occurred, which in turn have affected the schedule related to the HAP grant tasks.

Demonstrate the ability to succeed in the timeframe proposed

Most of the work on the Town Center Specific Plan document has been completed, however some minor delays to the schedule occurred as consultation on several plan components was needed with the City Council. The near completion of the Town Center Specific Plan has allowed preparation of the corresponding EIR to move forward. As the Town Center Specific Plan informs the preparation of the corresponding EIR, there is currently significant momentum in progressing towards completion of the HAP grant related tasks. Most of the EIR technical studies have been completed or are nearing completion and an administrative draft of the EIR is anticipated for delivery to the City by March 15, 2024. The updated Scope, Schedule and Budget more accurately reflects the deadlines the City can meet in completing the tasks related to the HAP grant.

Enclosed with this letter is the revised Project Scope, Schedule, and Budget that would be included in the grant amendment, if approved. Thank you for considering this request. Please contact Michael Coyne, Principal Planner at 619-258-4100 ext. 160 or mcoyne@cityofsanteeca.gov with any questions.

Respectfully,



Michael Coyne
Principal Planner

Scope of Work, Schedule, and Budget

Scope of Work, Schedule, and Budget Worksheet

Applicant Name: City of Santee

Project Title: Project-Level CEQA Analysis for Town Center Multifamily Housing Sites

Part I: Project Overview

Project Limit: The project area is identified as the Santee Town Center Smart Growth Area (ST-1) in the Smart Growth Concept Map, within the Santee Town Center Specific Plan Area.

Project Summary: The City of Santee is embarking on a project to rezone four large strategic sites consisting of approximately 37.5 undeveloped acres within the City's Town Center from commercial/office uses to high density/mixed-use residential uses. These sites are strategically located within 1/4 mile of the City's trolley station/mobility hub, near retail and services, office buildings/employment centers, and along the City's planned multi-modal corridor (Mission Gorge Road). Based on the City's recently adopted Housing Element, the rezoning of these sites is anticipated to produce approximately 923 housing units, including 333 housing units affordable to low-income households. The grant would assist the City in completing a project-level environmental impact report for the rezoning of these sites in order to streamline and accelerate housing production on these sites.

Part II: Scope of Work, Schedule, and Budget

Propose tasks, deliverables, a timeframe, and a budget for implementing the project. The project schedule must be based on "Months from Notice to Proceed" (NTP). The Total Project Cost column will auto-calculate.

Task No.	Task Description	Deliverables	Start Date	Revised Start Date	Completion Date	Revised Completion Date	Total Project Cost	Revised Project Cost
1	Create Project Description, Issue Notice of Preparation, and conduct Scoping Meeting	Kick-off Meeting, Notice of Preparation, PowerPoint Presentation, and Scoping Meeting Attendance	3/1/2023	5/1/2022	6/1/2023	11/1/2023	\$9,000.00	\$9,000.00
2	Prepare Technical Studies	Air Quality, Biological Resources, Cultural Resources, GHG, Noise, Traffic VMT	6/1/2023	5/1/2022	12/1/2023	5/1/2024	\$120,000.00	\$120,000.00
3	Administrative Draft EIR	Submit digital copy (word/pdf) of Administrative Draft EIR to City for Review	11/1/2023	5/1/2022	2/1/2023	5/1/2024	\$60,000.00	\$60,000.00
4	Public Draft EIR	Respond to City Comments, Provide Digital/Hardcopies, Revise Admin EIR, Prepare Notice of Availability	2/1/2023	4/1/2024	3/1/2023	5/31/2024	\$30,000.00	\$ 45,000.00
5	Final EIR	Prepare MMRP, SOC, Findings	3/1/2023	6/1/2024	4/1/2023	6/30/2024	\$30,000.00	\$ 30,000.00
6	Final EIR Certification	Provide Digital/Hardcopies, Prepare PowerPoint Presentation, Attend City Council Meeting, Prepare Notice of Determination	4/1/2023		4/30/2023		\$15,000.00	\$0.00
TOTAL PROJECT COST (grant request funds + matching funds):							\$264,000.00	\$264,000.00

Part III: Summary of Funding

Total project cost:

Total grant amount requested from SANDAG:

Total match amount that will be contributed:

\$ 264,000.00
\$ 264,000.00
\$ -

SANDAG grant % contribution:

Match % contribution:

100.00%
0.00%



County of San Diego

DAHVIA LYNCH
DIRECTOR

PLANNING & DEVELOPMENT SERVICES
5510 OVERLAND AVENUE, SUITE 310, SAN DIEGO, CA 92123
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(858) 565-5920 Building Services
www.SDCPDS.org

VINCE NICOLETTI
ASSISTANT DIRECTOR

March 7, 2024

Jenny Russo
Grants Program Manager
SANDAG
401 B Street, Suite 800
San Diego, CA 92101

SUBJECT: Amendment Request for Agreement Number S978623 Regarding the Objective Design Standards Project

Dear Ms. Russo,

The County of San Diego is requesting an amendment to grant agreement number S978623 for a one-month extension to May 31, 2024, and amendment of the scope for the Objective Design Standards project (Project). The requested extension will allow for final outreach and publishing of deliverables, including updated Objective Design Standards Checklists (Task 2). With the adoption of Senate Bill 423 (2023), additional areas of the unincorporated County are now eligible for streamlined approval processes for multi-family developments under various State laws. These additional areas required supportive project work and outreach beyond what was originally scoped for the project. SANDAG Board Policy No. 035, Competitive Grant Program Procedures, requires the following information to be provided to substantiate the request.

Previous efforts undertaken to maintain the project schedule.

At the time of Project initiation (Fall 2022), the Project team analyzed all State housing laws that may utilize objective standards and streamlining. Since that time, additional Bills were passed that also included options to use objective standards and streamlining (AB 2011, SB 6). The Project team analyzed new laws as they were adopted, and updated maps to identify eligible areas to use these laws. The Project team worked internally to evaluate how the County would process any applications for these laws to use with design review standards and identified seven Community Plan areas that have parcels eligible for streamlining and an existing design review process. As legislative sessions are still producing new Housing bills in California, the Project team continues to review all newly adopted bills and determine how they may affect the Project's messaging and outreach approach.

A detailed explanation on the reason for delay, and how it was unavoidable.

The Project team initially identified seven Community Plan areas within the unincorporated area where specific Senate Bills (SB 35, SB 6) and Assembly Bills (AB

2011) allow for streamlined ministerial housing projects. These seven eligible areas have existing Design Guidelines and Checklists which are currently used in a design review process with representative community groups (Community Sponsor Groups and Community Planning Groups). After the adoption of SB 423 in October 2023, additional parcels became eligible for streamlining under these laws in these seven communities as well as within an additional eight community planning area, Valley Center. This extension would allow the Project team to conduct additional outreach within Valley Center to review the existing Design Review Checklists to both remove subjectivity and to clarify any vague or confusing standards.

Demonstrate the ability to succeed in the extended timeframe the grantee is requesting.

The extended month would allow the Project team to draft the Design Review Checklist for the recently eligible parcels in Valley Center to ensure the objectivity of their already adopted design standards, conduct outreach with their Community Planning Group, and finalize an objective checklist by publishing on our County website for use in a potential State law streamlining application. Additionally, Task 4 (Public Hearings) will no longer be needed as scoped, as the updates to make the Design Review Checklists more objective are a considered an update to existing County forms.

Enclosed with this letter is the revised project schedule that would be included in the grant amendment, if approved. Thank you for considering this request. Please contact Luis Duran at 619-214-4698 or Luis.Duran@sdcounty.gov with any questions.

Sincerely,



Dahvia Lynch
Director
Planning & Development Services

Enclosure: Revised Project Schedule

Scope of Work, Schedule, and Budget

Scope of Work, Schedule, and Budget Worksheet

Applicant Name: County of San Diego - Department of Planning & Development Services

Project Title: Objective Design Standards

Part I: Project Overview

Project Limit: Countywide

Project Summary: Create objective design standards to implement the Sixth Cycle Housing Element (Housing Element) and comply with State Law (SB 330, SB 35, and SB9). Objective design standards involve no personal or subjective judgment by the County and will be both measurable and verifiable by the community, developer, and the County staff. The grant will help facilitate the production of housing in unincorporated communities by establishing clear guidelines and decreasing plan review time for certain projects.

Part II: Scope of Work, Schedule, and Budget

Task No.	Task Description	Deliverables	Start Date (Months from NTP)	Revised Start Date (Months from NTP)	Completion Date (Months from NTP)	Revised Completion Date (Months from NTP)	Original Project Cost	Amended Project Cost
1	Project Initiation and Management		5	5	24	25	\$ 70,000.00	\$ 70,000.00
1.1	Consultant Procurement	NA	5	5	5	5		
1.2	Project Kickoff Meeting (Consultant and County staff)	Agenda Meeting Notes	6	6	6	6		
1.3	Work Plan and Schedule	Work Plan and Schedule	6	6	6	6		
1.4	Research/Analysis	Best Practices Memo - ordinance structure, illustrations/graphics, objective design standard types	6	6	12	12		
1.5	Coordination Meetings (assumes bi-weekly)	Agendas Meeting Notes	6	6	21	24		
1.6	Quarterly Invoice preparation	Quarterly invoices to SANDAG	9	9	24	25		
2	Development of Objective Design Standards		11	11	20	25	\$ 110,000.00	\$ 200,000.00
2.1	Options Development	Approach Summary-Documents containing 5 objective design standard approaches Research/analysis of appropriate and suggested vehicle for adoption (Zoning Ordinance, etc.)	11	11	18	18		
2.2	Objective Design Standards Development	Draft Objective Design Standards Checklists Final Draft Objective Design Standards Checklists Final Objective Design Standards Checklists	17	17	19	24		
2.3	Finalize Recommendations	Briefing materials containing recommendations for County staff/decision-makers.	19	19	20	25		
3	Outreach		5	5	20	24	\$ 80,000.00	\$ 80,000.00
3.1	Engagement Plan Development	Public Outreach and Engagement Plan	5	5	8	8		
3.2	External Stakeholder Working Group	Logistics plan, presentation/facilitation prep, visual exhibits and exercises (assumes 10 meetings). Consultant attendance at meetings with County staff.	12	12	20	20		
3.3	Public Workshops/Meetings	Logistics plan, presentation/facilitation prep, visual exhibits and exercises (assumes 3 meetings). Consultant attendance at meetings with County staff.	12	12	20	24		
4	Public Hearings & CEQA		1		24		\$ 90,000.00	\$ -
4.1	CEQA Determination, Document Development and Relevant Reviews/Analysis	Draft CEQA document Final CEQA document	1		16			
4.2	PC and BOS Hearing preparation	PowerPoint presentation PC Report Staff Report (Board Letter)	18		21			
4.3	Planning Commission Workshop	Workshop attendance	18		19			
4.4	Board of Supervisors Hearing	Hearing attendance	19		24			
TOTAL PROJECT COST (grant request funds + matching funds):							\$ 350,000.00	\$ 350,000.00

Part III: Summary of Funding

Total project cost:	\$	350,000.00
Total grant amount requested from SANDAG:	\$	250,000.00
Total match amount that will be contributed:	\$	100,000.00

SANDAG grant % contribution:	71.43%
Match % contribution:	28.57%

Will the matching fund sources include funds from the <i>TransNet</i> Local Street and Road program?	No
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Overview of Developments in the Financial Markets, Quarterly Finance Report as of December 31, 2023*

Overview

Staff provides quarterly briefings on the latest developments in the financial markets, economy, sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the TransNet Program; and a quarterly report on investments as required per Board Policy No. 003.

Action: Information

This report provides an update on the latest developments in the financial markets, economy, sales tax revenues, and strategies being explored and implemented to minimize possible impacts to the TransNet Program.

Key Considerations

- Through December 2023 of FY 2024, sales tax revenue is 2.01% lower than FY 2023 collections through the same month, with TransNet revenue totaling \$215.7 million thus far.
- Senior lien maximum annual debt service coverage, using sales tax receipts of \$425.4 million for the 12 months ending December 31, 2023, is 3.99 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$3.99 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings.
- Based on the significant increase in sales tax revenue over the last four years from \$312 million in FY 2019 to \$429 million in FY 2023, the most recent TransNet Plan of Finance shows that the Major Corridor Program has the capacity to issue up to \$600 million in additional debt for projects, while maintaining its AAA ratings. However, based on sufficient current cash flows and with interest rates at multi-year highs, there are no plans to issue debt this calendar year.
- National inflation has increased slightly to 3.4% for the 12-month period ending in December 2023. Acknowledging a stabilizing inflation trend, the Fed plans to proceed cautiously with a few rate cuts anticipated through 2024.

Fiscal Impact:

Senior lien debt service coverage remains strong at 3.99 times, providing ample coverage and supporting triple-A ratings.

Schedule/Scope Impact:

The lasting impact of inflation, higher borrowing costs, elevated home prices, and mounting debt are expected to subdue consumer spending in the coming year.

André Douzджian, Chief Financial Officer

- Attachments:
1. Financial Market Review and Update
 2. Local Economy and Sales Tax Revenue
 3. Investment and Debt Portfolio
 4. TransNet Extension Quarterly Report

Market Review and Update

Overview

As we start the new year, the consensus in 2024 are slower growth and moderated inflation. The inflation rate was slightly higher than anticipated in December 2023; however, the Federal Reserve acknowledged an overall stabilizing inflation trend as the economy and the labor market remain strong. The Fed anticipates a few rate cuts in 2024 though will proceed cautiously. The annual inflation rate went up to 3.4% in December 2023 from 3.1% in November. The inflation rate rose higher than forecasted 3.2% in relation to slower drop in energy prices.

Interest Rates

- **Treasury Rates:** There was high volatility in Treasury rates (industry accepted benchmark for taxable bonds) in 2023 as the market reacted to key economic indicators. However, there was a palpable shift in market tone towards the end of 2023 with rates having declined significantly from the peak levels which were highest they had been since 2007. The 2-year treasury note is currently yielding 4.39%. Long-term treasury rates have also been volatile with the 10-year treasury currently yielding 4.12% and the 30-year treasury bond yielding 4.33%.
- **Municipal Market Rates:** Tax exempt municipal bond rates, as represented by the AAA BVAL rates (benchmark for tax-exempt rates produced by Bloomberg) also backed off from the peak levels in October with significant gains in November and December of 2023. The 30-year rate, currently at 3.57%, is a whole 1.0% lower compared to October 2023.
- **Fed Funds Rate:** The Fed last raised rates to 5.25% - 5.50% range at the July 2023 meeting and has held the rates steady since then. Overall, the Fed made 11 rate hikes from March 2022 to July 2023. The Fed has signaled several rate cuts in 2024 as economic growth cools and inflation pressure slows down. At their last meeting in December the Fed acknowledged that economic growth has slowed compared to the first part of 2023. Job gains have slowed but remain strong and the unemployment rate has remained low.

Municipal Market Supply-Demand Dynamics: Bond funds experienced more outflows than inflows in 2023. However, that was balanced by lower issuance volume in 2023.

Equity Markets: Domestic equity markets experienced their fair share of volatility in 2023 but ended the year on a very strong note. S&P 500 gained nearly 25% in 2023 and hit at an all-time high of 4,839 most recently in January 2024.

U.S. Economy

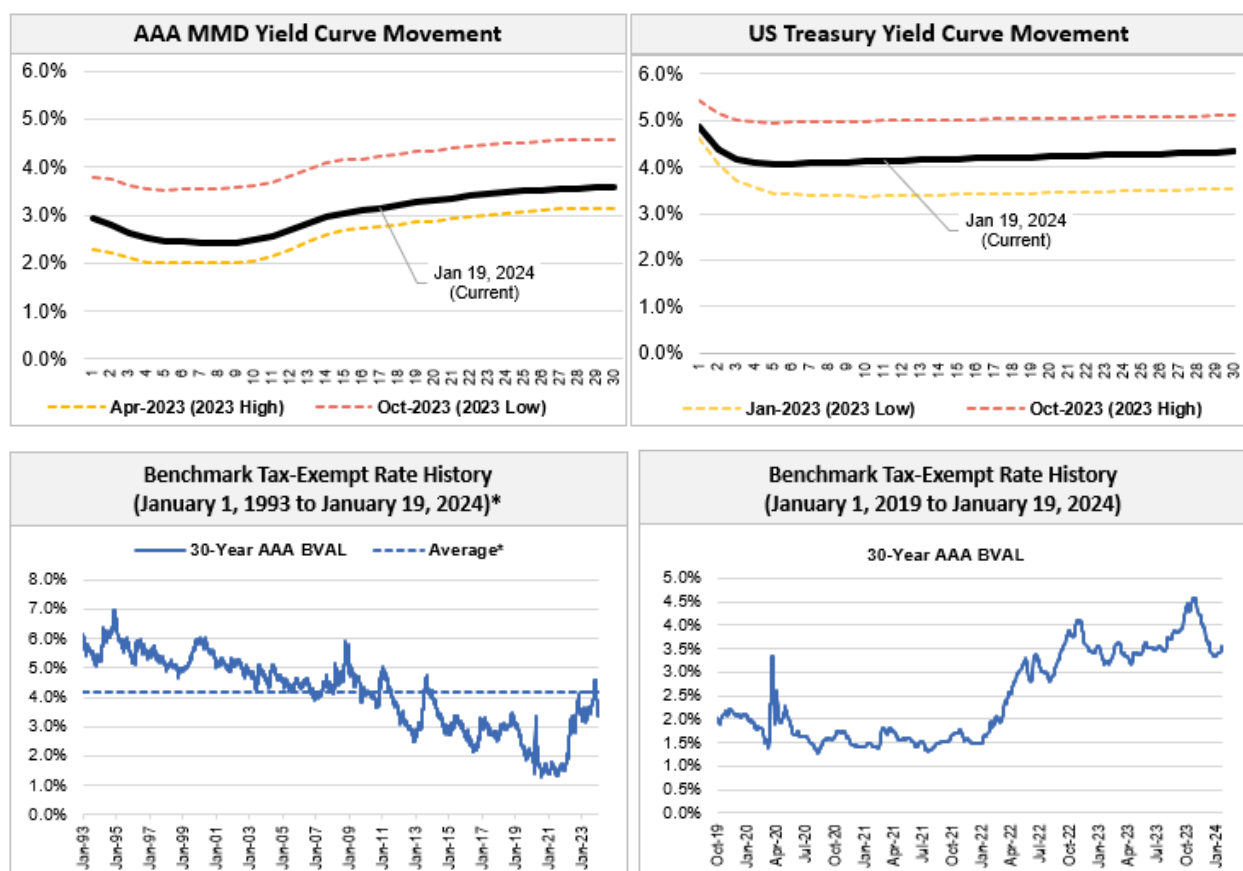
- **Jobs and Unemployment:** The Initial Jobless Claims were at 187,000 for the week ending January 18, which was well below market expectations of 207,000 underscoring the tightness of the labor market and providing the Fed with justification to prolong its hawkish stance for the next quarter. The unemployment rate was at 3.7% in December 2023, unchanged from the previous month.
- **GDP:** GDP increased at an annualized rate of 4.9% in the third quarter of 2023, after the 2.1% in the second quarter. It marks the strongest growth since fourth quarter of 2021.
- **Personal Spending:** As the economy's key driver, personal spending in December 2023 increased by 0.2% from November, slightly weaker than the forecasted 0.3%.
- **Manufacturing and Service Data:** The S&P Global U.S. Composite Purchasing Managers Index (PMI) declined in 2023 but stayed above 50 with the latest read for December 2023 coming in at 50.9. A reading above 50 indicates expansion in business activity and vice versa. The composite PMI has been strengthened mostly by the services sector with manufacturing PMI at or below 50 for the past 12 months indicative of contraction in manufacturing.

- Consumer Sentiment: The University of Michigan's consumer sentiment rose to 78.8 which is the highest it's been since July 2021. The consumer sentiment was at 71.6 in July 2023 and had been weakening since then.

Long-Term Tax-Exempt and Taxable Interest Rates

The Bloomberg Valuation Service's (BVAL) AAA yield curve (i.e., the "BVAL AAA" which is a widely accepted benchmark for tax-exempt municipal bond rates) dropped significantly in the last two months of 2023 after clear signals from the Fed that the rate hike cycle which began in 2022 was concluded supported by improvement in inflation data among other economic indicators. The two charts below show current AAA BVAL yield curve and the current US Treasury yield curve (benchmark of taxable municipal bond rates) in comparison to highest and lowest they been in 2023. As seen in the chart, the BVAL AAA yield curve is 0.85% to 1.13% lower across the curve compared to its October 2023 peak. U.S. Treasury rates also declined by about 0.57% to 0.91% across the board since October 2023. Both the BVAL yield curve as well as the U.S. Treasury curve continue to reflect significant "inversion" wherein short-term rates are higher than intermediate-to-long-term rates.

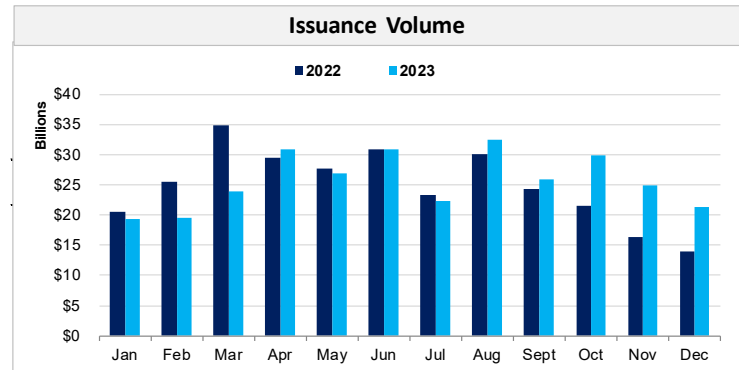
The current 30-year BVAL AAA bond yield is 3.57% which is 58 bps lower than its long-term average.



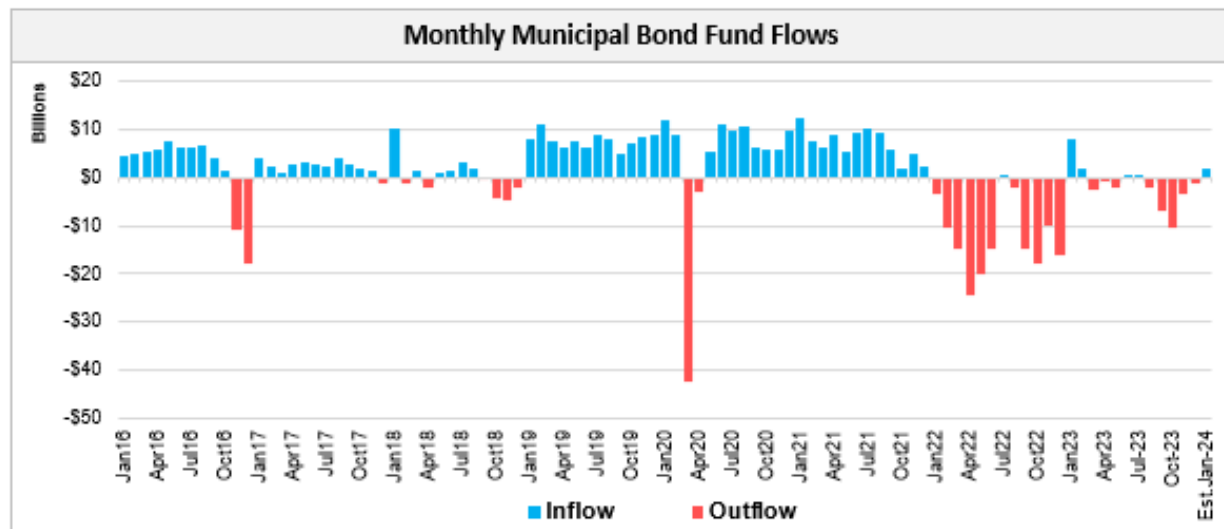
*The 1993-2010 data represents the AAA Municipal Market Data (MMD) data which is also a widely accepted tax-exempt benchmark rate. The 2011-2024 data represents the AAA BVAL rates.

Municipal Market Supply and Demand

Tax-exempt issuance in 2023 was \$325.8 billion, 3.4% % higher than 2022. The combined taxable and tax-exempt issuance volume of \$380 billion in 2023 was 2.8% lower than 2022. Through September 2023 the total issuance volume was lagging significantly compared to the prior year, however the rally in rates in late 2023 provided a healthy boost helping close the year stronger than anticipated.



Mutual funds are one of the largest investors in municipal bonds and the net inflow or net outflow from mutual funds is indicative of demand for municipal bonds. There were outflows from municipal bond funds for a majority of 2022 and 2023 indicating weak limited investor appetite for municipal bonds owing to a very volatile and relatively high interest rate environment. There are modest inflows for the first couple weeks in January 2024. While that is limited data to assess investor appetite, 2024 is anticipated to be more favorable relative to prior years.



Credit Spreads

Mirroring the movements in rates, credit spreads have also been volatile for the last couple years. Spreads that had widened significantly in 2022 generally improved over the course of 2023. That in conjunction with record low issuance volume for 2023 has helped offset weak demand and bond deals are still getting done in the market.

Interest Rate Forecasts

The Fed kept the target rate unchanged at the December meeting. The Fed dot-plot released after that meeting indicates the expectation of three rate cuts in 2024 sending a clear signal to the market that it has concluded its two-year rate tightening cycle to control inflation.

The next table provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. The market expects several rate cuts in 2024 and 2025. The two-year U.S. Treasury rate is forecasted to decline by 0.32% to 3.68% by end of 2024. The ten-year U.S. Treasury rate is forecasted to decline by 0.46% to 3.62% by end of 2024. The 30-year U.S. Treasury rate is also forecast to decline by 0.24% to 4.05% by the end the year.

Street's Interest Rate Forecast

Forecast	1/22/24	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25	Q1 26
30-Year UST	4.29%	4.25%	4.15%	4.05%	4.05%	3.92%	3.89%	3.87%	3.89%	3.83%
10-Year UST	4.08%	4.06%	3.89%	3.73%	3.62%	3.50%	3.44%	3.44%	3.42%	3.31%
2-Year UST	4.00%	4.39%	4.12%	3.86%	3.68%	3.49%	3.36%	3.28%	3.21%	3.11%
3M Secured Overnight Financing Rate	4.37%	5.28%	4.99%	4.60%	4.27%	3.97%	3.70%	3.48%	3.28%	3.18%
Federal Funds Target Rate Upper Bound	5.50%	5.45%	5.15%	4.70%	4.30%	3.90%	3.60%	3.40%	3.25%	3.10%
Federal Funds Target Rate Lower Bound	5.25%	5.22%	4.90%	4.46%	4.07%	3.64%	3.36%	3.17%	3.00%	2.87%



Local Economy and Sales Tax Revenues

In the second quarter of FY 2024, San Diego's regional economy displayed resilience amid a third year of elevated inflation and high interest rates. Tourism is returning to 2019 levels, and overall employment has remained healthy. At the same time, the region's households have faced headwinds from rising costs of living, only modest wage growth, and slight moderation in real estate markets.

Tourism continues its post-pandemic recovery, capitalizing on solid demand and shifts in consumer spending from goods to experiences and the tail end of the "revenge travel" phenomenon of people making up for not traveling because of the 2020 pandemic. In 2022, the region had 28.8 million visitors who spent \$13.6 billion. From January through October 2023, visits and visitor spending outpaced 2022 counts during that same 10-month period by 10.9% and 4.4%, respectively.

The region's diversified employment base has also been an anchor for the region's economy. More than 1.61 million San Diegans were in the civilian labor force as of November 2023, up 1,800 workers from the prior year. Total nonfarm, wage/salary jobs were 1.59 million in November 2023, up 21,900 from the preceding year. The largest net gains came in private Healthcare and Social Assistance (10,700 jobs) and Tourism (9,900), while Administrative and Support and Waste Management and Remediation Services (-7,000) had the largest job loss. The region's unemployment rate remained relatively low at 4.2% in November 2023. The unemployment rate for California was 4.9%, and the national unemployment rate was 3.5%.

While labor market conditions remain strong, pressure on the San Diego economy comes from its cost of living continuing to rise. San Diego's household area median income (AMI) rose to \$116,800 at the start of FY 2024, but wage growth has not kept pace with inflation. Housing costs and elevated prices for household necessities have been cutting into discretionary spending and savings, making San Diego among the nation's top 5 most expensive places to live. In November 2023, San Diego inflation rose to 5.2% (after falling to 4.3% in July) and continued to track above the national level (3.1%). Necessities, such as groceries (2.6%), shelter (8.7%), electricity (16.2%), and medical care (5.2%), were the main contributors to November's rise. With three years of inflationary pressure, credit card debt and delinquencies are rising.

Both commercial and residential real estate have struggled amid economic uncertainty and higher borrowing costs for business expansion and homebuying on the heels of the Fed's rate-hike cycle that began in March 2022. Given the tighter lending standards, high cost of capital, lower business investment, and prevailing telework trends, the San Diego commercial real estate struggled with decreased demand for office space. Compared to the pre-pandemic period, leasing volume has plummeted almost 20% (Q3 2023), while availability has risen by 7 million square feet to 20.4 million square feet. While the region faced a 10.8% vacancy in late 2023, Downtown San Diego remained the hardest hit. The vacancy rate for Class A properties in the Downtown San Diego market is forecasted to reach an unprecedented 39% in 2024. This vacancy rate is caused by dwindling demand and 2.7 million square feet of new—and still uncommitted—office space expected to be delivered in the next 18 months.

In contrast, the residential real estate market remained especially tight and arguably frozen because of limited supply, near-record home prices, and elevated mortgage rates. In late December, mortgage rates fell to 6.61%. Falling rates are attracting more buyers, but only some would-be sellers have put their homes on the market. In November 2023, year-over-year home sales were down 14.5% to 1,549. The median-priced home was \$870,000, and affordability limited to just 16% of San Diego households based on a \$5,550 monthly payment on a median-priced home at a 6.82% rate for a 30-year fixed mortgage (December 2023). The region also has the nation's third-most expensive rental market, with rents up an average of 18% to \$2,830 in the past year.

While recession fears appear to be fading, the lasting impact of inflation, higher borrowing costs, elevated home prices, and mounting debt are expected to subdue consumer spending in the coming year.

Sales Tax Revenues

TransNet and TDA revenue gains in FY 2023 were very strong. However, expectations for FY 2024 are significantly more modest. Consumer spending slowed in the first half of FY 2024; through Q2, TransNet totaled \$215,669,698, down 2.0% (compared to collections through Q2 of FY 2023). TDA was 0.6% lower compared to the same period last fiscal year. While the entirety of the holiday spending surge has yet to be captured in collections, we expect the trend to reverse and FY 2024 revenues to close out the year on par with FY 2023.

Looking at FY 2025, the updated forecast reflects that a shallow economic downturn will be avoided and that inflation will ease. At the same time, consumer spending is expected to cool. SANDAG economists are tracking data that points to some financial stress for consumers. After two years of wage growth that has not kept pace with inflation, households have faced higher costs of living and mounting debt. A key factor influencing the forecast update is how, if at all, San Diegans will respond to easing inflation and possible interest rate cuts in FY 2025. SANDAG economists conservatively forecast that financially stressed households will divert some disposable income from spending to pay down debt or bolster depleted savings rather than increase spending. The short-term forecast includes a gradual return to “normal” growth by FY 2028 (matching its pre-pandemic historical average). FY 2025 is estimated to grow 1%. FY 2026 growth is projected at 1.2%, FY 2027 at 1.3%, and FY 2028 at 2.9%.

The following tables provide a breakdown of sales tax collected. Table 1 provides a comparison by month for the past two fiscal years, and Table 2 reports annual revenue beginning in FY 2009 (the first year of the TransNet Extension Ordinance):

Table 1: TransNet Revenue by Month

Month	FY2023	FY2024
July	\$44,478,683	\$43,691,260
August	\$28,995,480	\$27,925,686
September	\$36,853,062	\$36,672,942
October	\$38,474,980	\$38,088,738
November	\$34,497,001	\$33,489,426
December	\$36,657,141	\$35,801,646
January	\$33,813,540	
February	\$40,825,224	
March	\$34,695,328	
April	\$31,439,603	
May	\$33,999,974	
June	\$35,005,164	
TOTAL	\$429,735,181	\$215,669,698

Table 2: TransNet Revenue by Year

Year	Annual Revenue
FY2009	\$221,991,360
FY2010	\$204,191,748
FY2011	\$221,304,014
FY2012	\$236,947,113
FY2013	\$247,221,162
FY2014	\$260,114,931
FY2015	\$268,840,549
FY2016	\$275,500,023
FY2017	\$284,456,260
FY2018	\$301,455,493
FY2019	\$305,349,500
FY2020	\$305,851,214
FY2021	\$333,998,567
FY2022	\$405,921,138
FY2023	\$429,735,181
FY2024*	\$215,669,698
TOTAL	\$4,518,547,950

* FY2024 includes values through only the first six months.

AGENCY DEBT PORTFOLIO OVERVIEW

Commission Outstanding Debt Overview

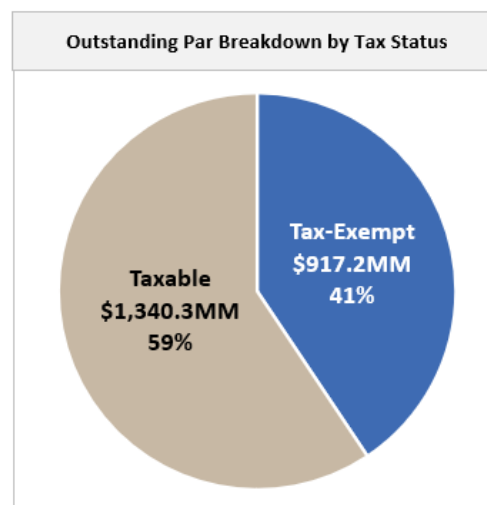
SANDAG, serving as the San Diego County Regional Transportation Commission, has \$2.26 billion of outstanding long-term debt. A summary of the outstanding bonds is tabulated and graphically presented below.

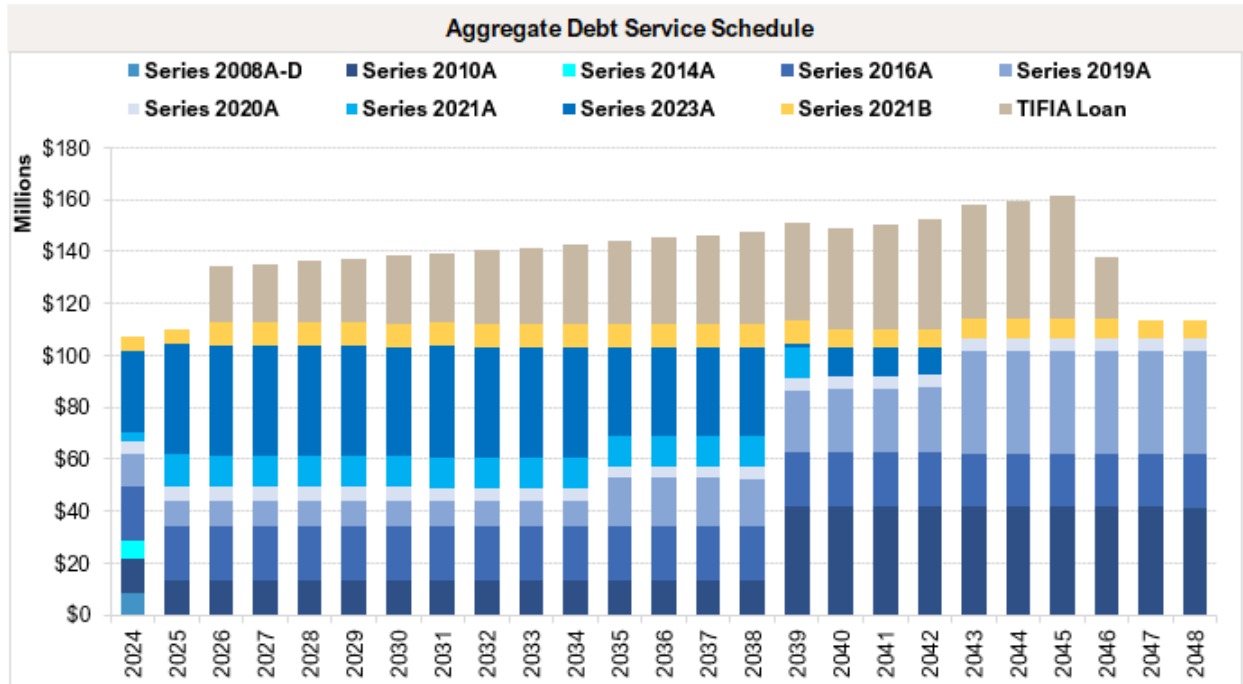
Summary of Outstanding Debt							
Series	Lien	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
2010A	Senior	Taxable	Fixed Rate	\$338,960,000	338,960,000	Make-Whole	4/1/2048
2014A	Senior	Tax-Exempt	Fixed Rate	\$350,000,000	6,460,000	4/1/2024	4/1/2024
2016A	Senior	Tax-Exempt	Fixed Rate	\$325,000,000	291,265,000	4/1/2026	4/1/2048
2019A	Senior	Taxable	Fixed Rate	\$442,620,000	314,062,000	4/1/2030	4/1/2048
2020A	Senior	Tax-Exempt	Fixed Rate	\$74,820,000	69,955,000	4/1/2030	4/1/2048
2021A	Senior	Taxable	Fixed Rate	\$149,840,000	149,840,000	4/1/2031	4/1/2048
2023A	Senior	Tax-Exempt	Fixed Rate	\$433,355,000	\$433,355,000	4/1/2033	4/1/2042
2021B	Subordinate	Tax-Exempt	Fixed Rate	\$116,150,000	116,150,000	4/1/2031	4/1/2039
TIFIA	Junior Sub.	Taxable	Fixed Rate	\$537,484,439	537,484,439	Anytime	10/1/2045
Total					\$2,257,531,439		

The debt portfolio is comprised of 100% fixed-rate debt. As a result of the 2023 refunding, SANDAG has no long-term variable rate bonds and no interest rate swaps outstanding. Of the total debt portfolio, 59% consists of taxable debt, including the TIFIA loan and the remaining is tax-exempt bonds.

Debt Service and Coverage

SANDAG has debt obligations on three separate lien levels, providing different priority of sales tax payment to investors based on their respective lien level. Senior lien obligations are paid first, followed by subordinate lien obligations and then junior subordinate lien obligations (i.e., TIFIA loan). The TIFIA loan is repayable from a third lien that is subordinate to the senior lien bonds, the 2021B Bonds, the commercial paper notes, and SANDAG's revolving credit facility. This three-tiered lien structure has been developed by SANDAG to maximize program capacity, keep senior lien ratings as high as possible, and minimize borrowing costs. Excluding the TIFIA loan, SANDAG has a level debt service profile with senior lien annual debt service ranging from \$98.4 million to \$106.7 million per year through FY 2048. The aggregate senior and subordinate lien debt service ranges from \$104.2 million to \$114.0 million. With the TIFIA loan, SANDAG's aggregate debt service is ascending with peak debt service of \$161.2 million in FY 2045.





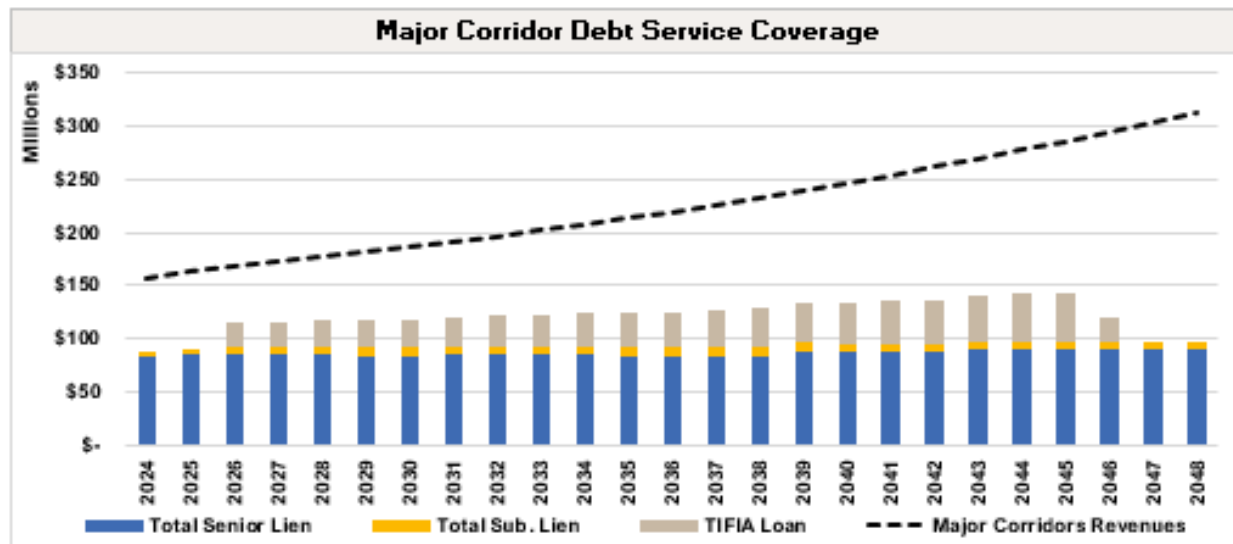
Senior lien debt service coverage, using sales tax receipts of \$425.5 million for the 12 months ending December 31, 2023, is 3.99 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$3.99 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings. Total coverage, when comparing the annual revenues for the 12 months ending December 31, 2023, to peak debt service in FY 2045, is 2.43 times.

Major Corridors Coverage

In accordance with the *TransNet* Ordinance, the Major Corridors subprogram receives 38% of *TransNet* revenues after allocations for administrative and ITOC expenses. Major Corridors is the most capital-intensive program, funding various projects, including the Mid-Coast Corridor Transit Project. Costs associated with these projects can and have been funded with tax-exempt bonds. SANDAG Board Policy No. 036: San Diego County Regional Transportation Commission Debt Policy, dictates that the Major Corridors subprogram (and other *TransNet* subprograms) maintain an annual debt service coverage ratio of at least 1 times, meaning that for every \$1 of *TransNet* revenue, there is no more than \$1 of debt service allocated to the subprogram in any given year. Board Policy No. 036, Section 2.3, states as follows:

2.3 Borrowing requirements are determined for each eligible sub-program and debt service is allocated to each sub-program based upon its pro rata share of bond proceeds. It is the general principal for the TransNet Plan of Finance that the annual debt service for each sub-program be less than the annual sales tax revenue allocated to a sub-program on an annual basis. This 1.0 times program debt service coverage requirement ensures that no single sub-program incurs more debt than it can afford.

For planning purposes, debt service has been structured using a forecast of sales tax receipts. Based on this forecast, coverage in the Major Corridors Program is estimated at 1.84 times in FY 2024. Based on that revenue forecast, annual coverage is projected to dip to 1.46 times when the TIFIA loan payments start in FY 2026. The TIFIA debt service structure in the Major Corridors Program increases over time, in anticipation of increase in sales tax revenue.



Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 2.90%.

The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89%. The 2014A, 2016A, and 2020A bonds were issued at an all-in cost of 3.85%, 3.29%, and 2.62% respectively. The 2019A refunding bonds that refunded a part of 2012A and 2014A bonds were issued at an all-in cost of 3.19%. The taxable 2021A bonds refunded a portion of the remaining 2014A bonds were issued at an all-in cost of 2.21%. The tax-exempt 2021B bonds raised new money funding as well as refunded a portion of the 2014A bonds and issued at an all-in cost of 2.71%. The 2023A bonds were issued to refund all of the variable-rate 2008 bonds as well as a portion of the 2019A bonds and issued at an all-in cost of 3.23%. The TIFIA loan has a borrowing cost of 1.75%. Taken together, SANDAG has issued over \$2.0 billion in long-term debt to accelerate project delivery and for refunding, for a WACC of 2.90%.

SANDAG's WACC Calculations		
Series	Original Par	All-in TIC
2010A	\$338,960,000	3.8871%
2014A	\$24,055,000	3.8507%
2016A	\$325,000,000	3.2947%
2019A	\$442,620,000	3.1890%
2020A	\$74,820,000	2.6226%
2021A	\$149,840,000	2.2136%
2023A	\$433,355,000	3.2264%
2021B	\$116,150,000	2.7146%
TIFIA	\$537,484,439	1.7500%
Total Weighted Avg.		2.8967%

Credit Ratings

SANDAG's debt secured by *TransNet* sales tax revenues is rated by Standard and Poor's (S&P) and Fitch as shown here. The ratings were most recently reviewed in June 2023 in conjunction with the Series 2023A sales tax bond issuance. As part of the review S&P affirmed all the ratings. Fitch also affirmed the senior lien and TIFIA loan rating and upgraded the subordinate lien rating by one notch to 'AA+' owing to the strength of the pledged revenues and improvement in subordinate line debt service coverage ratio.

SANDAG Ratings (<i>TransNet</i>)		
Lien	S&P	Fitch
Senior Lien	AAA/Stable	AAA/Stable
Subordinate Lien Bonds	AA/Stable	AA+/Stable
Third Lien TIFIA Loan	A+/Stable	A+/Stable

Commercial Paper and Revolving Credit Facility

In addition to the long-term debt, SANDAG has a short-term Commercial Paper Program supported by a Letter of Credit (LOC) from Bank of America Merrill Lynch. The Commercial Paper Program was authorized at \$100 million and has a current outstanding balance of \$38.1 million as of December 31, 2023, when it was remarketed out 152 days, at a rate of 3.44%. The supporting LOC is in place through August 2024 at an annual cost of 0.30%.

In March 2022, SANDAG established a Revolving Credit Agreement with U.S. Bank National Association in the amount not-to-exceed \$100 million. This drawdown facility provides SANDAG with additional flexibility to manage short-term cash flow needs when capital expenses are incurred prior to the receipt of federal and state grant funds. The facility has a term of 3.5 years, a commitment fee of 0.20%, and a variable interest rate of SIFMA plus 0.34% on any outstanding balance. Currently there is a nominal balance of \$1 million outstanding on the Revolving Credit Agreement.

SANDAG Outstanding Debt Overview

SANDAG has debt outstanding in conjunction with the South Bay Expressway toll road as summarized in the table below. SANDAG *had* Capital Grant Receipts Revenue Bonds outstanding in conjunction with the Mid-Coast Corridor Transit Project, that were refunded and defeased in full in October 2023, as described in more detail below.

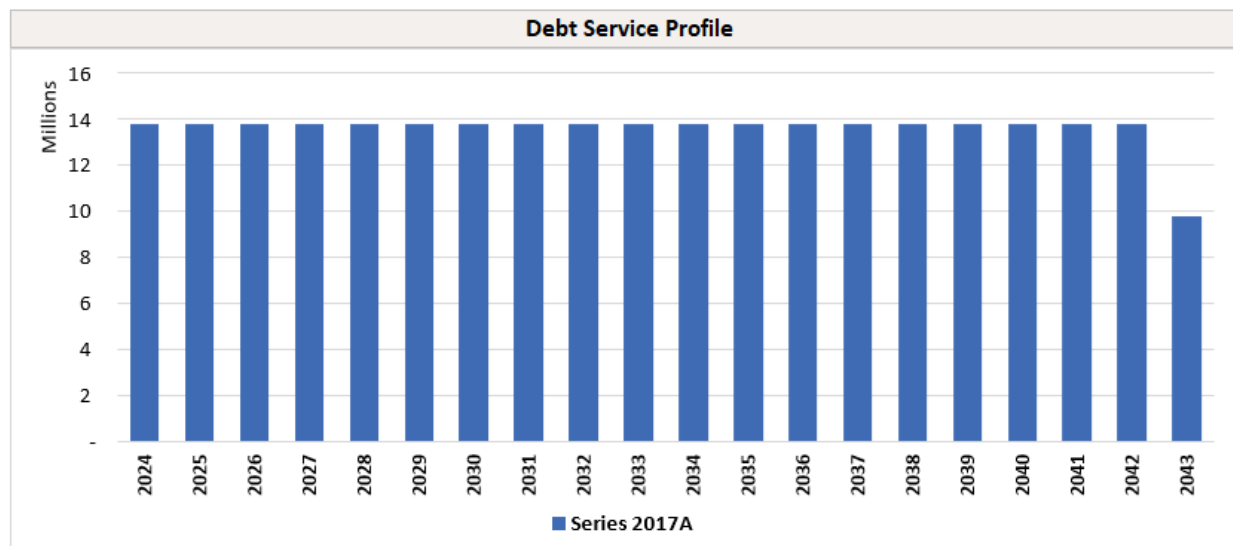
South Bay Expressway

The SANDAG debt portfolio for South Bay Expressway (SBX) is comprised of a single bond series. In November 2017, SANDAG issued Toll Revenue First Senior Lien Bonds, 2017 Series A to refinance indebtedness incurred with the acquisition of SBX. The bonds are secured from the toll revenues generated on SBX, net of operating expenses. As of July 1, 2023, the debt outstanding is \$167.2 million.

Summary of Outstanding Debt						
Series	Tax Status	Coupon Type	Original Par	Outstanding Par	Call Date	Final Maturity
2017A	Tax-Exempt	Fixed-Rate	\$194,140,000	\$167,180,000	7/1/2027	7/1/2042

An annual debt service chart is provided presented below. The annual payment on the bonds is level at about \$13.8 million through final maturity in FY 2043. Based on unaudited annual net toll revenues of \$28.5 million for FY 2023, the coverage on future maximum annual debt service payment was 2.07 times. This demonstrates a strong recovery in traffic and revenue, compared to recent years and satisfies the rate covenant of 1.50 times in the bond documents.

S&P and Fitch maintain credit ratings on the toll-revenue bonds. S&P last affirmed their rating of 'A' in January 2023. Fitch most recently affirmed their rating of 'A' in May 2023.



Mid-Coast Corridor Transit Project

SANDAG issued \$335 million Capital Grant Receipts Revenue Bonds, Series 2019A and Series 2019B in August 2019 for the Mid-Coast Project secured solely by future grants under the Full Funding Grant Agreement (FFGA) with the Federal Transit Administration (FTA) signed in 2016.

The accelerated receipt of federal grant funds allowed SANDAG to refund and defease all of the outstanding bonds. With the early redemption and the legal defeasance, these bonds no longer represent an obligation of SANDAG.

Looking Ahead

SANDAG expects to deliver a majority of upcoming project needs on a pay-go basis. That said, SANDAG is currently evaluating increased borrowing capacity driven by strong *TransNet* sales tax revenue receipts over the past two years. Staff will evaluate borrowing capacity in the context of project delivery needs and determine any recommendation for future bond issuance that may be presented to the Board for consideration. Additionally, staff is in the process of replacing Citi as the commercial paper (CP) dealer on SANDAG's CP program. The CP dealer is responsible for marketing SANDAG's outstanding CP to new investors on a periodic basis. Citi announced their exit from the US municipal bond business in 2023, driving the need to replace them and procure a new CP dealer for SANDAG's CP program.

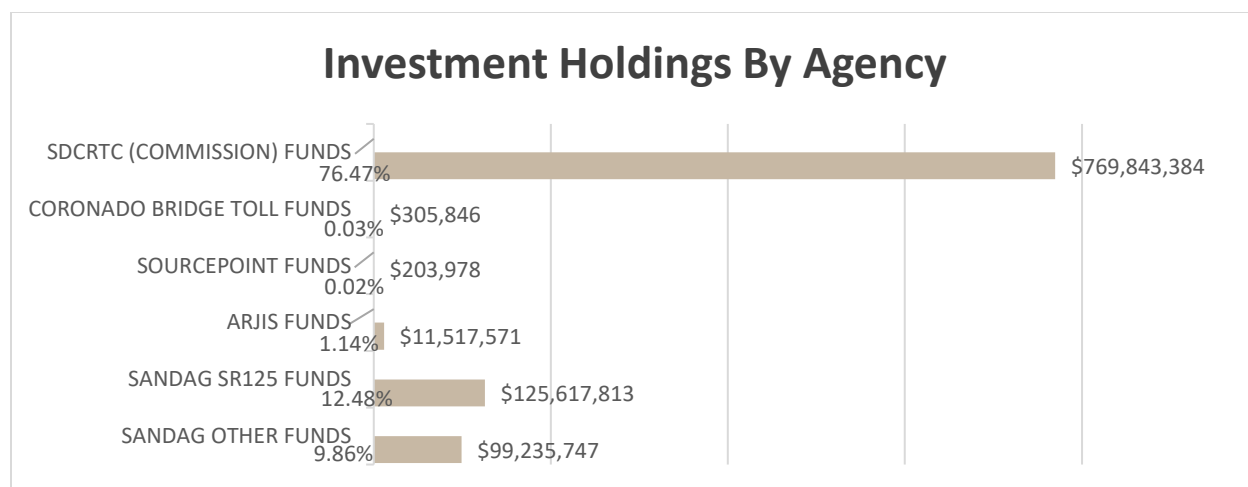
Quarterly Investment Data

Included with this quarterly finance report through December 31, 2023, are a Detail of Portfolio Balances (by Account); and a Detail of Portfolio Balances (by Investment Type) for all money under the direction or care of SANDAG, including funds of the Commission, SourcePoint, and the Automated Regional Justice Information System (ARJIS).

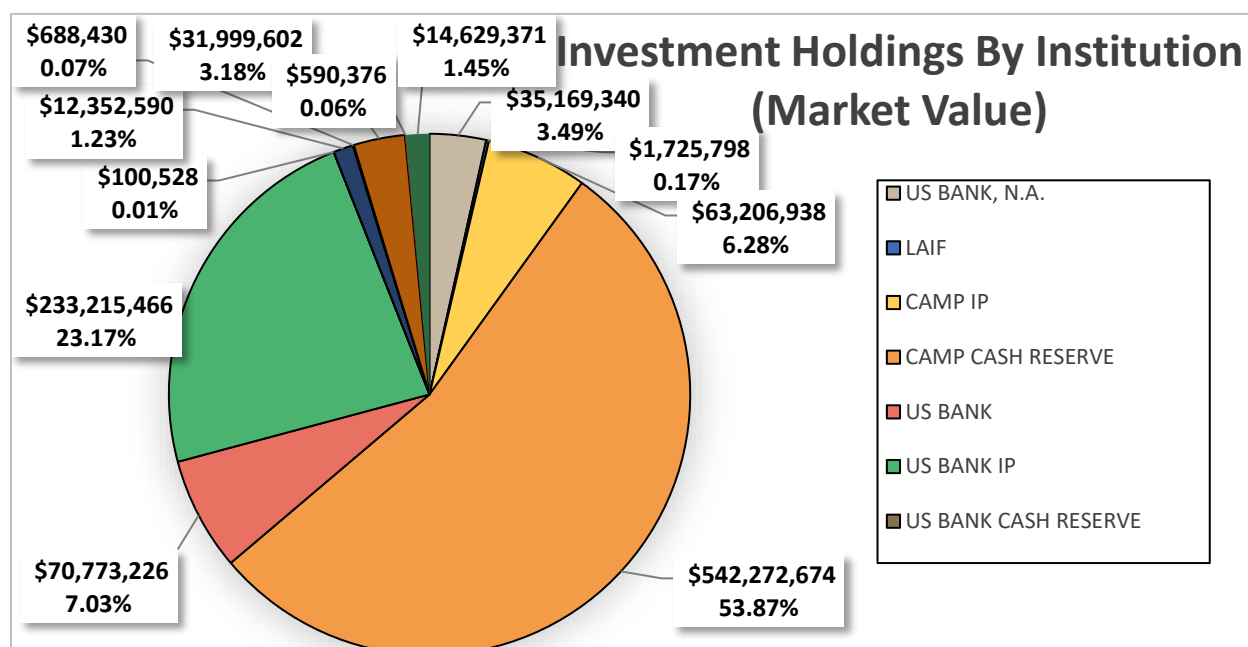
As of December 31, 2023, a total of \$1.01 billion was held by SANDAG in a number of investment accounts, in comparison to \$908.5 million held in the previous quarter. The \$98.0 million increase during the quarter is primarily due to operating activity within the investment and operating accounts.¹

¹ Due to rounding, the numbers below may not tie to the attached detail of investments.

The chart below provides a summary of the holdings by Agency.



Approximately \$35.2 million was held in nine U.S. Bank, N.A. accounts at the end of the quarter, which are used for operating purposes. Approximately \$974.8 billion was invested in eight institutions.



The Finance Department has continued to implement the Board of Directors investment objectives of safety, liquidity, and return on investment for the SANDAG investment portfolio. These will continue to be important investment objectives for the future.

Certifications

The Chief Financial Officer reports that this investment portfolio, together with the authorized short-term Commercial Paper Program, will provide the necessary liquidity to meet the expenditure requirements of SANDAG, the Commission, ARJIS, and SourcePoint for the next six months. This portfolio is in compliance with state law and Board Policy No. 003: Investment Policy.

SANDAG
Summary of Portfolio Balances (by Institution)
as of December 31, 2023

Institution	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
US BANK, N.A.	\$ 35,169,339.51	3.49%	\$ 35,169,339.51	100.00%	\$ -	N/A	1
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND	1,725,797.81	0.17%	1,725,797.81	100.00%	-	3.96%	230
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) INDIVIDUAL PORTFOLIO	61,106,058.99	6.07%	63,206,938.46	103.44%	2,100,879.47	4.22%	310
CAMP CASH RESERVE PORTFOLIO	542,272,673.81	53.86%	542,272,673.81	100.00%	-	5.56%	48
US BANK TRUST	70,830,189.76	7.03%	70,773,226.23	99.92%	(56,963.53)	4.57%	39
US BANK INDIVIDUAL PORTFOLIO	236,133,451.92	23.45%	233,215,466.04	98.76%	(2,917,985.88)	2.82%	780
US BANK CASH RESERVE PORTFOLIO	100,527.61	0.01%	100,527.61	100.00%	-	0.00%	1
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	12,352,589.65	1.23%	12,352,589.65	100.00%	-	3.99%	383
JP MORGAN	31,993,718.10	3.18%	31,999,601.95	100.02%	5,883.85	5.45%	51
CALIFORNIA BANK AND TRUST	688,430.58	0.07%	688,430.58	100.00%	-	N/A	1
PACIFIC WESTERN BANK	590,376.06	0.06%	590,376.06	100.00%	-	N/A	1
PRINCIPAL CUSTODY SOLUTIONS	13,915,316.84	1.38%	14,629,370.88	105.13%	714,054.04	2.56%	1
TOTAL	\$ 1,006,878,470.64	100.00%	\$ 1,006,724,338.59	99.98%	\$ (154,132.05)	4.66%	235

Summary of Portfolio Balances (by Agency)

Agency	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
SANDAG FUNDS	\$ 224,196,469.43	22.27%	\$ 224,853,559.94	100.29%	\$ 657,090.51	5.14%	48
AUTOMATED REGIONAL JUSTICE INFORMATION SYSTEM FUNDS	11,517,571.15	1.14%	11,517,571.15	100.00%	-	5.56%	41
SOURCEPOINT FUNDS	203,977.89	0.02%	203,977.89	100.00%	-	3.99%	357
CORONADO BRIDGE TOLL FUNDS	305,846.10	0.03%	305,846.10	100.00%	-	5.56%	48
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION FUNDS	770,654,606.07	76.54%	769,843,383.51	99.89%	(811,222.56)	4.53%	293
TOTAL	\$ 1,006,878,470.64	100.00%	\$ 1,006,724,338.59	99.98%	\$ (154,132.05)	4.66%	235

Note: In addition to the funds held above, there is \$5,210 petty cash held at SANDAG.

SANDAG
Detail of Portfolio Balances (by Account)
as of December 31, 2023

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
US BANK, N.A.:							
Checking - (ARJIS)	\$ 1,659,139.53	0.16%	\$ 1,659,139.53	100.00%	\$ -	N/A	1
Checking - (RTC) TransNet Sales Tax	6,636,065.42	0.66%	6,636,065.42	100.00%	-	N/A	1
Checking - (SANDAG) Flexible Spending Acct (FSA)	53,360.26	0.01%	53,360.26	100.00%	-	N/A	1
Checking - (SANDAG) General	9,853,531.95	0.98%	9,853,531.95	100.00%	-	N/A	1
Checking - (SANDAG) Interstate 15 (I-15) FasTrak®	6,606,600.13	0.66%	6,606,600.13	100.00%	-	N/A	1
Checking - (SANDAG) Refund Account Common	353,460.61	0.04%	353,460.61	100.00%	-	N/A	1
Checking - (SANDAG) Revenue Account Common	868,305.91	0.09%	868,305.91	100.00%	-	N/A	1
Checking - (SANDAG) SAFE Program Account	1,805,424.64	0.18%	1,805,424.64	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Collection Account	2,324,123.99	0.23%	2,324,123.99	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Payment Account	4,995,541.43	0.50%	4,995,541.43	100.00%	-	N/A	1
Checking - (SourcePoint)	13,785.64	0.00%	13,785.64	100.00%	-	N/A	1
TOTAL US BANK, N.A.	\$ 35,169,339.51	3.49%	\$ 35,169,339.51	100.00%	\$ -	N/A	1
STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIF):							
(RTC) TransNet	\$ 1,610,464.23	0.16%	\$ 1,610,464.23	100.00%	\$ -	3.96%	230
(SANDAG)	115,333.58	0.01%	115,333.58	100.00%	-	3.96%	230
TOTAL LAIF	\$ 1,725,797.81	0.17%	\$ 1,725,797.81	100.00%	\$ -	3.96%	230
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):							
INDIVIDUAL PORTFOLIO:							
(RTC) TransNet Program Reserve	\$ 28,308,718.36	2.81%	\$ 29,029,292.17	102.55%	\$ 720,573.81	4.21%	407
(RTC) TransNet Sales Tax	32,797,340.63	3.26%	34,177,646.29	104.21%	1,380,305.66	4.22%	228
TOTAL INDIVIDUAL PORTFOLIO	\$ 61,106,058.99	6.07%	\$ 63,206,938.46	103.44%	\$ 2,100,879.47	4.22%	310
CASH RESERVE PORTFOLIO:							
(ARJIS)	\$ 9,852,495.36	0.98%	\$ 9,852,495.36	100.00%	\$ -	5.56%	48
(RTC) 2008 Cap Proj DSRF Release	18,383,568.83	1.83%	18,383,568.83	100.00%	-	5.56%	48
(RTC) 2008 Sales Tax Account - TransNet Extension	318,094,900.09	31.59%	318,094,900.09	100.00%	-	5.56%	48
(RTC) 2010 Bond Series A - Interest	5,038,238.33	0.50%	5,038,238.33	100.00%	-	5.56%	48
(RTC) 2014 Bond Series A Interest	1,742,951.42	0.17%	1,742,951.42	100.00%	-	5.56%	48
(RTC) 2014 Bond Series A Principal	4,899,434.25	0.49%	4,899,434.25	100.00%	-	5.56%	48
(RTC) 2016 Bond Series A Interest	3,662,350.31	0.36%	3,662,350.31	100.00%	-	5.56%	48
(RTC) 2016 Bond Series A Principal	4,630,191.64	0.46%	4,630,191.64	100.00%	-	5.56%	48
(RTC) 2020 Bond Series A Interest	832,578.11	0.08%	832,578.11	100.00%	-	5.56%	48
(RTC) 2020 Bond Series A Principal	1,353,740.99	0.13%	1,353,740.99	100.00%	-	5.56%	48
(RTC) Sage Hill Endowment	940,670.73	0.09%	940,670.73	100.00%	-	5.56%	48
(RTC) TransNet Program Reserve	30,553,917.36	3.03%	30,553,917.36	100.00%	-	5.56%	48
(RTC) Wetland Mitigation TransNet Sales Tax	333,780.45	0.03%	333,780.45	100.00%	-	5.56%	48
(SANDAG) 2019 Series AB Cap- I Fund	108,570.79	0.01%	108,570.79	100.00%	-	5.56%	48
(SANDAG) 2019 Series AB DSR Fund	13,431,074.61	1.33%	13,431,074.61	100.00%	-	5.56%	48
(SANDAG) California Coastal Commission	343,540.67	0.03%	343,540.67	100.00%	-	5.56%	48
(SANDAG) Coronado Bridge Toll Funds	305,846.10	0.03%	305,846.10	100.00%	-	5.56%	48

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
(SANDAG) El Portal Project	473,633.89	0.05%	473,633.89	100.00%	-	5.56%	48
(SANDAG) I-15 FasTrak®	8,848,080.22	0.88%	8,848,080.22	100.00%	-	5.56%	48
(SANDAG) SR 125	2,118,276.55	0.21%	2,118,276.55	100.00%	-	5.56%	48
(SANDAG) SR 125	36,818,465.17	3.66%	36,818,465.17	100.00%	-	5.56%	48
(SANDAG) SR 125	33,809,228.46	3.36%	33,809,228.46	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Bond Interest	4,317,768.24	0.43%	4,317,768.24	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Bond Principal	2,825,342.35	0.28%	2,825,342.35	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Debt Reserve Fund	20,180,295.01	2.00%	20,180,295.01	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Fastrak Customer Prepaid Fund	2,369,251.73	0.24%	2,369,251.73	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Reserve Account	14,040,403.81	1.39%	14,040,403.81	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Toll Revenue Fund	1,779,223.04	0.18%	1,779,223.04	100.00%	-	5.56%	48
(SANDAG) Shoreline Management	184,855.30	0.02%	184,855.30	100.00%	-	5.56%	48
TOTAL CASH RESERVE PORTFOLIO	\$ 542,272,673.81	53.86%	\$ 542,272,673.81	100.00%	\$ -	5.56%	48
TOTAL CAMP	\$ 603,378,732.80	59.93%	\$ 605,479,612.27	100.35%	\$ 2,100,879.47	5.43%	75
US BANK TRUST:							
Money Market - (RTC) 2019 Bond Series A Principal	\$ 2,517.81	0.00%	\$ 2,517.81	100.00%	\$ -	4.83%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	2,551,436.50	0.25%	2,551,436.50	100.00%	-	4.83%	1
Money Market - (RTC) 2021 Revenue Bond Series A COI	0.02	0.00%	0.02	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series A Interest	743,660.24	0.07%	743,660.24	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B COI	0.01	0.00%	0.01	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B Interest	1,455,072.91	0.14%	1,455,072.91	100.00%	-	4.98%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Interest	18,041.93	0.00%	18,041.93	100.00%	-	5.30%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Revolving Notes Project Fund	922,251.35	0.09%	922,251.35	100.00%	-	5.30%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Cost of Issuance	34,435.15	0.00%	34,435.15	100.00%	-	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Interest	5,427,731.95	0.54%	5,427,731.95	100.00%	-	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Principal	10,706,841.10	1.06%	10,706,841.10	100.00%	-	4.98%	1
Money Market - (RTC) Commercial Paper Notes Series B Interest	307,284.12	0.03%	307,284.12	100.00%	-	4.83%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	180,392.34	0.02%	180,392.34	100.00%	-	4.83%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	238,044.23	0.02%	238,044.23	100.00%	-	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Escrow AC Account	1,520,995.06	0.15%	1,520,995.06	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	23,392.25	0.00%	23,392.25	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	1,499,436.33	0.15%	1,499,436.33	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Principal	330,698.38	0.03%	330,698.38	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Redemption Account	25,419,263.56	2.52%	25,419,263.56	100.00%	-	5.26%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	3,649.94	0.00%	3,649.94	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	2,335.44	0.00%	2,335.44	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	33,902.28	0.00%	33,902.28	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	5.75	0.00%	5.75	100.00%	-	0.00%	1
Certificates of Participation - (RTC) North County Transit District	17,750,000.00	1.76%	17,750,000.00	100.00%	-	3.44%	152
Capital Project Retention Accounts	1,658,801.11	0.16%	1,601,837.58	96.57%	(56,963.53)	N/A	1
TOTAL US BANK TRUST	\$ 70,830,189.76	7.03%	\$ 70,773,226.23	99.92%	\$ (56,963.53)	4.57%	39
US BANK:							
INDIVIDUAL PORTFOLIO:							
(RTC) TransNet Extension	\$ 236,133,451.92	23.45%	\$ 233,215,466.04	98.76%	\$ (2,917,985.88)	2.82%	780

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
TOTAL INDIVIDUAL PORTFOLIO	\$ 236,133,451.92	23.45%	\$ 233,215,466.04	98.76%	\$ (2,917,985.88)	2.82%	780
CASH RESERVE:							
(RTC) TransNet Extension	\$ 100,527.61	0.01%	\$ 100,527.61	100.00%	\$ -	0.00%	1
TOTAL CASH RESERVE	\$ 100,527.61	0.01%	\$ 100,527.61	100.00%	\$ -	0.00%	1
TOTAL US BANK	\$ 236,233,979.53	23.46%	\$ 233,315,993.65	98.76%	\$ (2,917,985.88)	2.82%	779
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND:							
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	\$ 5,936.26	0.00%	\$ 5,936.26	100.00%	\$ -	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	2,151,414.53	0.21%	2,151,414.53	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) 2021 Bonds	12,694.80	0.00%	12,694.80	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	106,178.30	0.01%	106,178.30	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	1,547,694.86	0.15%	1,547,694.86	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	8,338,478.65	0.83%	8,338,478.65	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	190,192.25	0.02%	190,192.25	100.00%	-	3.99%	383
TOTAL SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	\$ 12,352,589.65	1.23%	\$ 12,352,589.65	100.00%	\$ -	3.99%	383
JP MORGAN:							
(RTC) JPMorgan Prime Money Market Fund	\$ 21,327,257.59	2.12%	\$ 21,329,899.98	100.01%	\$ 2,642.39	5.44%	47
(RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	10,666,460.51	1.06%	10,669,701.97	100.03%	3,241.46	5.45%	59
TOTAL JP MORGAN	\$ 31,993,718.10	3.18%	\$ 31,999,601.95	100.02%	\$ 5,883.85	5.45%	51
CALIFORNIA BANK AND TRUST:							
Capital Project Retention Accounts	\$ 688,430.58	0.07%	\$ 688,430.58	100.00%	\$ -	N/A	1
TOTAL CALIFORNIA BANK AND TRUST	\$ 688,430.58	0.07%	\$ 688,430.58	100.00%	\$ -	N/A	1
PACIFIC WESTERN BANK:							
Capital Project Retention Accounts	\$ 590,376.06	0.06%	\$ 590,376.06	100.00%	\$ -	N/A	1
TOTAL PACIFIC WESTERN BANK	\$ 590,376.06	0.06%	\$ 590,376.06	100.00%	\$ -	N/A	1
PRINCIPAL CUSTODY SOLUTIONS:							
(SANDAG) Section 115 Pension Trust	\$ 13,915,316.84	1.38%	\$ 14,629,370.88	105.13%	\$ 714,054.04	2.56%	1
TOTAL PRINCIPAL CUSTODY SOLUTIONS	\$ 13,915,316.84	1.38%	\$ 14,629,370.88	105.13%	\$ 714,054.04	2.56%	1
TOTAL	\$ 1,006,878,470.64	100.00%	\$ 1,006,724,338.59	99.98%	\$ (154,132.05)	4.66%	235

Legend:

Automated Regional Justice Information System (ARJIS)
Commercial Paper (CP)
State of California Local Agency Investment Fund (LAIF)
North County Transit District (NCTD)
San Diego County Regional Transportation Commission (RTC)

SANDAG
Detail of Portfolio Balances (by Account)
as of December 31, 2023

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
US BANK, N.A.:							
Checking - (ARJIS)	\$ 1,659,139.53	0.16%	\$ 1,659,139.53	100.00%	\$ -	N/A	1
Checking - (RTC) TransNet Sales Tax	6,636,065.42	0.66%	6,636,065.42	100.00%	-	N/A	1
Checking - (SANDAG) Flexible Spending Acct (FSA)	53,360.26	0.01%	53,360.26	100.00%	-	N/A	1
Checking - (SANDAG) General	9,853,531.95	0.98%	9,853,531.95	100.00%	-	N/A	1
Checking - (SANDAG) Interstate 15 (I-15) FasTrak®	6,606,600.13	0.66%	6,606,600.13	100.00%	-	N/A	1
Checking - (SANDAG) Refund Account Common	353,460.61	0.04%	353,460.61	100.00%	-	N/A	1
Checking - (SANDAG) Revenue Account Common	868,305.91	0.09%	868,305.91	100.00%	-	N/A	1
Checking - (SANDAG) SAFE Program Account	1,805,424.64	0.18%	1,805,424.64	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Collection Account	2,324,123.99	0.23%	2,324,123.99	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Payment Account	4,995,541.43	0.50%	4,995,541.43	100.00%	-	N/A	1
Checking - (SourcePoint)	13,785.64	0.00%	13,785.64	100.00%	-	N/A	1
TOTAL US BANK, N.A.	\$ 35,169,339.51	3.49%	\$ 35,169,339.51	100.00%	\$ -	N/A	1
STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIF):							
(RTC) TransNet	\$ 1,610,464.23	0.16%	\$ 1,610,464.23	100.00%	\$ -	3.96%	230
(SANDAG)	115,333.58	0.01%	115,333.58	100.00%	-	3.96%	230
TOTAL LAIF	\$ 1,725,797.81	0.17%	\$ 1,725,797.81	100.00%	\$ -	3.96%	230
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):							
INDIVIDUAL PORTFOLIO:							
(RTC) TransNet Program Reserve	\$ 28,308,718.36	2.81%	\$ 29,029,292.17	102.55%	\$ 720,573.81	4.21%	407
(RTC) TransNet Sales Tax	32,797,340.63	3.26%	34,177,646.29	104.21%	1,380,305.66	4.22%	228
TOTAL INDIVIDUAL PORTFOLIO	\$ 61,106,058.99	6.07%	\$ 63,206,938.46	103.44%	\$ 2,100,879.47	4.22%	310
CASH RESERVE PORTFOLIO:							
(ARJIS)	\$ 9,852,495.36	0.98%	\$ 9,852,495.36	100.00%	\$ -	5.56%	48
(RTC) 2008 Cap Proj DSRF Release	18,383,568.83	1.83%	18,383,568.83	100.00%	-	5.56%	48
(RTC) 2008 Sales Tax Account - TransNet Extension	318,094,900.09	31.59%	318,094,900.09	100.00%	-	5.56%	48
(RTC) 2010 Bond Series A - Interest	5,038,238.33	0.50%	5,038,238.33	100.00%	-	5.56%	48
(RTC) 2014 Bond Series A Interest	1,742,951.42	0.17%	1,742,951.42	100.00%	-	5.56%	48
(RTC) 2014 Bond Series A Principal	4,899,434.25	0.49%	4,899,434.25	100.00%	-	5.56%	48
(RTC) 2016 Bond Series A Interest	3,662,350.31	0.36%	3,662,350.31	100.00%	-	5.56%	48
(RTC) 2016 Bond Series A Principal	4,630,191.64	0.46%	4,630,191.64	100.00%	-	5.56%	48
(RTC) 2020 Bond Series A Interest	832,578.11	0.08%	832,578.11	100.00%	-	5.56%	48
(RTC) 2020 Bond Series A Principal	1,353,740.99	0.13%	1,353,740.99	100.00%	-	5.56%	48
(RTC) Sage Hill Endowment	940,670.73	0.09%	940,670.73	100.00%	-	5.56%	48
(RTC) TransNet Program Reserve	30,553,917.36	3.03%	30,553,917.36	100.00%	-	5.56%	48
(RTC) Wetland Mitigation TransNet Sales Tax	333,780.45	0.03%	333,780.45	100.00%	-	5.56%	48
(SANDAG) 2019 Series AB Cap- I Fund	108,570.79	0.01%	108,570.79	100.00%	-	5.56%	48
(SANDAG) 2019 Series AB DSR Fund	13,431,074.61	1.33%	13,431,074.61	100.00%	-	5.56%	48
(SANDAG) California Coastal Commission	343,540.67	0.03%	343,540.67	100.00%	-	5.56%	48
(SANDAG) Coronado Bridge Toll Funds	305,846.10	0.03%	305,846.10	100.00%	-	5.56%	48

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
(SANDAG) El Portal Project	473,633.89	0.05%	473,633.89	100.00%	-	5.56%	48
(SANDAG) I-15 FasTrak®	8,848,080.22	0.88%	8,848,080.22	100.00%	-	5.56%	48
(SANDAG) SR 125	2,118,276.55	0.21%	2,118,276.55	100.00%	-	5.56%	48
(SANDAG) SR 125	36,818,465.17	3.66%	36,818,465.17	100.00%	-	5.56%	48
(SANDAG) SR 125	33,809,228.46	3.36%	33,809,228.46	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Bond Interest	4,317,768.24	0.43%	4,317,768.24	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Bond Principal	2,825,342.35	0.28%	2,825,342.35	100.00%	-	5.56%	48
(SANDAG) SR125 2017 A Debt Reserve Fund	20,180,295.01	2.00%	20,180,295.01	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Fastrak Customer Prepaid Fund	2,369,251.73	0.24%	2,369,251.73	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Reserve Account	14,040,403.81	1.39%	14,040,403.81	100.00%	-	5.56%	48
(SANDAG) SR125 2017A Bond Toll Revenue Fund	1,779,223.04	0.18%	1,779,223.04	100.00%	-	5.56%	48
(SANDAG) Shoreline Management	184,855.30	0.02%	184,855.30	100.00%	-	5.56%	48
TOTAL CASH RESERVE PORTFOLIO	\$ 542,272,673.81	53.86%	\$ 542,272,673.81	100.00%	\$ -	5.56%	48
TOTAL CAMP	\$ 603,378,732.80	59.93%	\$ 605,479,612.27	100.35%	\$ 2,100,879.47	5.43%	75
US BANK TRUST:							
Money Market - (RTC) 2019 Bond Series A Principal	\$ 2,517.81	0.00%	\$ 2,517.81	100.00%	\$ -	4.83%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	2,551,436.50	0.25%	2,551,436.50	100.00%	-	4.83%	1
Money Market - (RTC) 2021 Revenue Bond Series A COI	0.02	0.00%	0.02	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series A Interest	743,660.24	0.07%	743,660.24	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B COI	0.01	0.00%	0.01	100.00%	-	4.98%	1
Money Market - (RTC) 2021 Revenue Bond Series B Interest	1,455,072.91	0.14%	1,455,072.91	100.00%	-	4.98%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Interest	18,041.93	0.00%	18,041.93	100.00%	-	5.30%	1
Money Market - (RTC) 2022 Subordinate Sales Tax Revenue Revolving Notes Project Fund	922,251.35	0.09%	922,251.35	100.00%	-	5.30%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Cost of Issuance	34,435.15	0.00%	34,435.15	100.00%	-	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Interest	5,427,731.95	0.54%	5,427,731.95	100.00%	-	4.98%	1
Money Market - (RTC) 2023 Sales Tax Revenue Bonds Series A Principal	10,706,841.10	1.06%	10,706,841.10	100.00%	-	4.98%	1
Money Market - (RTC) Commercial Paper Notes Series B Interest	307,284.12	0.03%	307,284.12	100.00%	-	4.83%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	180,392.34	0.02%	180,392.34	100.00%	-	4.83%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	238,044.23	0.02%	238,044.23	100.00%	-	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Escrow AC Account	1,520,995.06	0.15%	1,520,995.06	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	23,392.25	0.00%	23,392.25	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	1,499,436.33	0.15%	1,499,436.33	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Principal	330,698.38	0.03%	330,698.38	100.00%	-	5.26%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Redemption Account	25,419,263.56	2.52%	25,419,263.56	100.00%	-	5.26%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	3,649.94	0.00%	3,649.94	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	2,335.44	0.00%	2,335.44	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	33,902.28	0.00%	33,902.28	100.00%	-	4.98%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	5.75	0.00%	5.75	100.00%	-	0.00%	1
Certificates of Participation - (RTC) North County Transit District	17,750,000.00	1.76%	17,750,000.00	100.00%	-	3.44%	152
Capital Project Retention Accounts	1,658,801.11	0.16%	1,601,837.58	96.57%	(56,963.53)	N/A	1
TOTAL US BANK TRUST	\$ 70,830,189.76	7.03%	\$ 70,773,226.23	99.92%	\$ (56,963.53)	4.57%	39
US BANK:							
INDIVIDUAL PORTFOLIO:							
(RTC) TransNet Extension	\$ 236,133,451.92	23.45%	\$ 233,215,466.04	98.76%	\$ (2,917,985.88)	2.82%	780

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
TOTAL INDIVIDUAL PORTFOLIO	\$ 236,133,451.92	23.45%	\$ 233,215,466.04	98.76%	\$ (2,917,985.88)	2.82%	780
CASH RESERVE:							
(RTC) TransNet Extension	\$ 100,527.61	0.01%	\$ 100,527.61	100.00%	\$ -	0.00%	1
TOTAL CASH RESERVE	\$ 100,527.61	0.01%	\$ 100,527.61	100.00%	\$ -	0.00%	1
TOTAL US BANK	\$ 236,233,979.53	23.46%	\$ 233,315,993.65	98.76%	\$ (2,917,985.88)	2.82%	779
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND:							
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	\$ 5,936.26	0.00%	\$ 5,936.26	100.00%	\$ -	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	2,151,414.53	0.21%	2,151,414.53	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) 2021 Bonds	12,694.80	0.00%	12,694.80	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	106,178.30	0.01%	106,178.30	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	1,547,694.86	0.15%	1,547,694.86	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	8,338,478.65	0.83%	8,338,478.65	100.00%	-	3.99%	383
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	190,192.25	0.02%	190,192.25	100.00%	-	3.99%	383
TOTAL SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	\$ 12,352,589.65	1.23%	\$ 12,352,589.65	100.00%	\$ -	3.99%	383
JP MORGAN:							
(RTC) JPMorgan Prime Money Market Fund	\$ 21,327,257.59	2.12%	\$ 21,329,899.98	100.01%	\$ 2,642.39	5.44%	47
(RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	10,666,460.51	1.06%	10,669,701.97	100.03%	3,241.46	5.45%	59
TOTAL JP MORGAN	\$ 31,993,718.10	3.18%	\$ 31,999,601.95	100.02%	\$ 5,883.85	5.45%	51
CALIFORNIA BANK AND TRUST:							
Capital Project Retention Accounts	\$ 688,430.58	0.07%	\$ 688,430.58	100.00%	\$ -	N/A	1
TOTAL CALIFORNIA BANK AND TRUST	\$ 688,430.58	0.07%	\$ 688,430.58	100.00%	\$ -	N/A	1
PACIFIC WESTERN BANK:							
Capital Project Retention Accounts	\$ 590,376.06	0.06%	\$ 590,376.06	100.00%	\$ -	N/A	1
TOTAL PACIFIC WESTERN BANK	\$ 590,376.06	0.06%	\$ 590,376.06	100.00%	\$ -	N/A	1
PRINCIPAL CUSTODY SOLUTIONS:							
(SANDAG) Section 115 Pension Trust	\$ 13,915,316.84	1.38%	\$ 14,629,370.88	105.13%	\$ 714,054.04	2.56%	1
TOTAL PRINCIPAL CUSTODY SOLUTIONS	\$ 13,915,316.84	1.38%	\$ 14,629,370.88	105.13%	\$ 714,054.04	2.56%	1
TOTAL	\$ 1,006,878,470.64	100.00%	\$ 1,006,724,338.59	99.98%	\$ (154,132.05)	4.66%	235

Legend:

Automated Regional Justice Information System (ARJIS)
Commercial Paper (CP)
State of California Local Agency Investment Fund (LAIF)
North County Transit District (NCTD)
San Diego County Regional Transportation Commission (RTC)

TransNet EXTENSION QUARTERLY REPORT

FISCAL YEAR: FY 2024 QUARTER: 2											
PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements					
	Sales Tax Allocations			Other Income ¹	Total Allocation	Program Disbursements ²			Debt Service ³		Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date
SANDAG Admin	\$2,147,596	\$4,313,394	\$55,698,740	\$207,862	\$55,906,602	\$(2,200,000)	\$(4,050,000)	\$(55,163,149)	\$0	\$0	\$0
ITOC	\$126,008	\$252,017	\$4,515,515	\$65,141	\$4,580,656	\$(61,694)	\$(196,381)	\$(4,153,445)	\$0	\$0	\$0
Bicycle/Pedestrian/Neighborhood Safety	\$2,147,596	\$4,313,394	\$90,370,959	\$4,222,519	\$94,593,478	\$(4,306,468)	\$(4,306,959)	\$(186,270,087)	\$(1,323,863)	\$(2,634,258)	\$(23,312,143)
Major Corridor Capital Projects	\$39,124,272	\$78,580,540	\$1,659,825,841	\$(188,730,606)	\$1,471,095,235	\$(21,148,456)	\$(21,157,595)	\$(2,968,099,778)	\$(25,310,802)	\$(24,198,974)	\$(1,263,303,873)
Major Corridor Project EMP	\$4,530,179	\$9,098,799	\$192,190,361	\$152,667,224	\$344,857,585	\$11,497,986	\$11,496,928	\$(418,596,911)	\$(3,646,187)	\$(3,849,631)	\$(231,492,769)
Local Project EMP	\$1,853,255	\$3,722,236	\$78,623,329	\$4,028,854	\$82,652,183	\$(239,484)	\$(239,917)	\$(18,211,442)	\$0	\$0	\$(54)
Smart Growth Incentive Program	\$2,162,131	\$4,342,609	\$91,727,218	\$5,138,417	\$96,865,635	\$(695,546)	\$(696,051)	\$(50,782,104)	\$0	\$0	\$0
Local Streets and Roads											
City of Carlsbad	\$1,230,167	\$2,470,748	\$46,442,640	\$10,745,675	\$57,188,315	\$(725,096)	\$(725,383)	\$(26,996,212)	\$0	\$0	\$0
City of Chula Vista	\$2,349,456	\$4,718,900	\$92,026,513	\$6,049,539	\$98,076,052	\$(1,799,783)	\$(1,800,333)	\$(71,039,885)	\$0	\$0	\$0
City of Coronado	\$202,117	\$405,857	\$9,200,634	\$1,099,826	\$10,300,460	\$(14)	\$(60)	\$(6,965,180)	\$0	\$0	\$0
City of Del Mar	\$68,471	\$137,421	\$3,189,861	\$208,991	\$3,398,852	\$(49,070)	\$(49,083)	\$(4,915,127)	\$(33,491)	\$(55,038)	\$(2,212,817)
City of El Cajon	\$882,071	\$1,771,581	\$37,400,664	\$3,091,508	\$40,492,172	\$(1,463,213)	\$(1,463,417)	\$(28,771,877)	\$0	\$0	\$0
City of Encinitas	\$606,516	\$1,218,113	\$25,932,351	\$4,276,314	\$30,208,665	\$(47)	\$(187)	\$(26,431,514)	\$0	\$0	\$0
City of Escondido	\$1,327,693	\$2,666,636	\$55,832,466	\$6,456,293	\$62,288,759	\$(1,750,103)	\$(1,750,413)	\$(47,475,573)	\$0	\$0	\$0
City of Imperial Beach	\$232,479	\$466,840	\$10,906,256	\$597,376	\$11,503,632	\$(27,257)	\$(27,309)	\$(10,953,974)	\$(120,423)	\$(212,956)	\$(1,211,754)
City of La Mesa	\$539,776	\$1,084,060	\$23,958,602	\$3,582,571	\$27,541,173	\$(41)	\$(51,266)	\$(22,890,466)	\$(12)	\$(12)	\$(4,605,170)
City of Lemon Grove	\$242,074	\$486,112	\$10,952,627	\$695,292	\$11,647,919	\$(105,444)	\$(105,498)	\$(9,963,801)	\$0	\$0	\$0
City of National City	\$502,292	\$1,008,774	\$21,803,767	\$1,755,808	\$23,559,575	\$(39)	\$(154)	\$(18,316,464)	\$0	\$0	\$(8,233,109)
City of Oceanside	\$1,605,641	\$3,224,909	\$70,554,954	\$9,303,564	\$79,858,518	\$(126)	\$(500)	\$(63,511,476)	\$(17)	\$(17)	\$(4,915,707)
City of Poway	\$518,266	\$1,040,859	\$23,130,243	\$1,406,587	\$24,536,830	\$(40)	\$(159)	\$(19,765,580)	\$0	\$0	\$0
City of San Diego	\$11,927,664	\$23,957,244	\$506,279,231	\$29,742,205	\$536,021,436	\$(8,411,791)	\$(15,049,051)	\$(510,176,849)	\$(273,748)	\$(520,833)	\$(1,688,741)
City of San Marcos	\$817,757	\$1,642,400	\$33,615,564	\$4,320,816	\$37,936,380	\$(104,480)	\$(917,285)	\$(31,848,223)	\$(228,295)	\$(296,275)	\$(8,471,452)
City of Santee	\$489,996	\$984,076	\$22,112,963	\$1,281,347	\$23,394,310	\$(500,037)	\$(500,150)	\$(25,231,198)	\$(203,867)	\$(398,573)	\$(14,438,158)
City of Solana Beach	\$148,236	\$297,632	\$6,725,532	\$606,533	\$7,332,065	\$(10)	\$(43)	\$(8,406,385)	\$(80,485)	\$(106,534)	\$(3,009,038)

FISCAL YEAR: FY 2024 QUARTER: 2												
PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements						
	Sales Tax Allocations			Other Income ¹	Total Allocation	Program Disbursements ²			Debt Service ³			Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date	Program to Date
City of Vista	\$840,579	\$1,688,241	\$35,682,342	\$4,095,627	\$39,777,969	\$(147,901)	\$(148,095)	\$(32,080,873)	\$0	\$0	\$0	\$(32,080,873)
San Diego County	\$5,429,704	\$10,905,746	\$235,329,943	\$20,321,003	\$255,650,946	\$(1,710,426)	\$(1,711,701)	\$(168,176,393)	\$(448,442)	\$(32,258)	\$(24,875,919)	\$(193,052,312)
Total Local Streets and Roads	\$29,960,955	\$60,176,149	\$1,271,077,153	\$109,636,875	\$1,380,714,028	\$(16,794,918)	\$(24,300,087)	\$(1,133,917,050)	\$(1,388,780)	\$(1,622,496)	\$(73,661,865)	\$(1,207,578,915)
Transit Services												
MTS	\$11,679,654	\$23,458,418	\$495,377,307	\$854,346	\$496,231,653	\$(11,955,687)	\$(20,786,413)	\$(492,667,649)	\$0	\$0	\$0	\$(492,667,649)
NCTD	\$4,756,401	\$9,553,164	\$201,913,344	\$335,874	\$202,249,218	\$(4,930,371)	\$(9,451,482)	\$(198,818,796)	\$(833)	\$(21,817)	\$(1,809,162)	\$(200,627,958)
Senior Grant Program	\$552,116	\$1,108,916	\$23,423,200	\$251,528	\$23,674,728	\$(252,755)	\$(252,884)	\$(21,535,191)	\$0	\$0	\$0	\$(21,535,191)
Total Transit Services	\$16,988,171	\$34,120,498	\$720,713,851	\$1,441,748	\$722,155,599	\$(17,138,813)	\$(30,490,779)	\$(713,021,636)	\$(833)	\$(21,817)	\$(1,809,162)	\$(714,830,798)
New Major Corridor Transit Operations	\$8,339,647	\$16,750,062	\$353,804,982	\$22,264,422	\$376,069,404	\$(7,082,877)	\$(16,338,678)	\$(229,537,890)	\$0	\$0	\$0	\$(229,537,890)
TOTAL TRANSNET EXTENSION	\$107,379,810	\$215,669,698	\$4,518,547,949	\$110,942,456	\$4,629,490,405	\$(58,170,270)	\$(90,279,519)	\$(5,777,753,492)	\$(31,670,465)	\$(32,327,176)	\$(1,593,579,866)	\$(7,371,333,358)

Commercial Paper Program Activity

PROGRAM & RECIPIENT	Commercial Paper Disbursements	
	FY to Date	Program to Date
City of National City	\$0	\$(4,500,000)
City of Santee	\$0	\$(3,950,000)
NCTD	\$0	\$(34,000,000)
City of Imperial Beach	\$0	\$(1,455,000)
City of San Diego	\$0	\$(26,167,000)
City of La Mesa	\$0	\$(4,500,000)
City of Oceanside	\$0	\$(4,790,000)
City of Del Mar	\$0	\$(704,000)
Major Corridor Capital Projects	\$0	\$(99,999,679)
Major Corridor Project EMP	\$0	\$(16,052,321)
Total CP Disbursements	\$0	\$(196,118,000)

Other Activity

PROGRAM & RECIPIENT	Sales Tax Revenue Transfers for EMP Debt Service Payments			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$(151,839,904)	\$0	\$0	\$(151,839,904)
Major Corridor Project EMP	\$198,646,184	\$(12,381,978)	\$(16,746,096)	\$181,900,088
Local Project EMP	\$(46,806,280)	\$12,381,978	\$16,746,096	\$(30,060,184)
Total Other Activity	\$0	\$0	\$0	\$0

PROGRAM & RECIPIENT	Commercial Paper Program Availability			
	Prior Years	This Quarter	FY to Date	Program to Date
CP Program	\$100,000,000	\$0	\$0	\$100,000,000
NCTD	\$(19,100,000)	\$0	\$1,350,000	\$(17,750,000)
City of La Mesa	\$(417,000)	\$0	\$417,000	\$0
City of Oceanside	\$0	\$0	\$0	\$0
City of Imperial Beach	\$(897,000)	\$0	\$297,000	\$(600,000)
Major Corridor Capital Projects	\$0	\$0	\$0	\$0
City of San Diego	\$(26,167,000)	\$6,400,000	\$6,400,000	\$(19,767,000)
Major Corridor Project EMP	\$0	\$0	\$0	\$0
CP Outstanding	\$(46,581,000)			\$(38,117,000)
CP AVAILABLE FOR ISSUANCE	\$53,419,000			\$61,883,000

2008 ABCD Sales Tax Revenue Bond Activity - \$600,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁴			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$16,893,500	\$0	\$0	\$16,893,500
Major Corridor Capital Projects	\$392,721,119	\$0	\$0	\$392,721,119
Major Corridor Project EMP	\$45,517,182	\$0	\$0	\$45,517,182
<i>Total 2008 Bond Disbursement</i>	\$455,131,801	\$0	\$0	\$455,131,801

2010 A Sales Tax Revenue Bond Activity - \$338,960,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁵			
	Prior Years	This Quarter	FY to Date	Program to Date
City of San Marcos	\$15,253,815	\$0	\$0	\$15,253,815
City of Solana Beach	\$5,515,065	\$0	\$0	\$5,515,065
Major Corridor Capital Projects	\$276,292,690	\$0	\$0	\$276,292,690
Major Corridor Project EMP	\$43,419,140	\$0	\$0	\$43,419,140
<i>Total 2010 A Bond Disbursement</i>	\$340,480,710	\$0	\$0	\$340,480,710

2010 B Sales Tax Revenue Bond Activity - \$11,040,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁵			
	Prior Years	This Quarter	FY to Date	Program to Date
City of National City	\$3,383,956	\$0	\$0	\$3,383,956
City of Santee	\$8,519,844	\$0	\$0	\$8,519,844
<i>Total 2010 B Bond Disbursement</i>	\$11,903,800	\$0	\$0	\$11,903,800

2020 A Sales Tax Revenue Bond Activity - 74,820,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁶			
	Prior Years	This Quarter	FY to Date	Program to Date
Bike/Pedestrian	\$85,222,973	\$1,586,740	\$4,346,776	\$89,569,749
TOTAL TRANSNET EXTENSION	\$85,222,973	\$1,586,740	\$4,346,776	\$89,569,749

2021 B Sales Tax Revenue Bond Activity - \$116,150,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁶			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$131,143,976	0	0	\$131,143,976
<i>Total 2021 B Bond Disbursement</i>	\$131,143,976	0	0	\$131,143,976

2012 A Sales Tax Revenue Bond Activity - \$420,585,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ^{4,5,6}			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$5,706,500	\$0	\$0	\$5,706,500
Major Corridor Capital Projects	\$444,770,201	\$0	\$0	\$444,770,201
Major Corridor Project EMP	\$26,812,066	\$0	\$0	\$26,812,066
<i>Total 2012 A Bond</i>	\$477,288,767	\$0	\$0	\$477,288,767

2014 A Sales Tax Revenue Bond Activity - \$350,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ^{5,6}			
	Prior Years	This Quarter	FY to Date	Program to Date
City of Del Mar	\$3,518,350	\$0	\$0	\$3,518,350
City of San Marcos	\$1,152,611	\$0	\$0	\$1,152,611
City of Santee	\$4,938,727	\$0	\$0	\$5,397,979
Major Corridor Capital Projects	\$343,906,117	\$0	\$0	\$343,906,117
Major Corridor Project EMP	\$52,162,768	\$0	\$0	\$52,162,768
<i>Total 2014 A Bond Disbursement</i>	\$405,678,573	\$0	\$0	\$406,137,825

2016 A Sales Tax Revenue Bond Activity - \$325,000,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁶			
	Prior Years	This Quarter	FY to Date	Program to Date
Bicycle/Pedestrian/Neighborhood Safety	\$31,224,192	\$0	\$0	\$31,224,192
Major Corridor Capital Projects	\$322,425,541	\$0	\$0	\$322,425,541
Major Corridor Project EMP	\$54,042,182	\$0	\$0	\$54,042,182
<i>Total 2016 A Bond Disbursement</i>	\$407,691,915	\$0	\$0	\$407,691,915

2018 A Sales Tax Revenue Bond Activity - \$537,480,000				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements ⁶			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$573,453,241	\$0	\$0	\$573,453,241
<i>Total 2018 A Bond Disbursement</i>	\$573,453,241	\$0	\$0	\$573,453,241

FOOTNOTES:

1. Other income includes interest revenue, transfers from TransNet I, other non-sales tax revenue, and the one-time swap of Major Corridor Sales Tax Revenue (to LSI Cities and County) for ARRA funds.
2. Program Disbursements include payments to TransNet recipient agencies and program costs, including payments made for Early Action Projects in prior years, and return of funds.
3. Debt Service includes principal and interest payments, including debt payments beginning in March 2008 upon issuance of the 2008 ABCD Sales Tax Revenue Bonds, and other debt service costs net of interest earnings.
4. 2008 Bond Proceeds have been fully disbursed, net of Reserve Requirement of \$17.1 million. The Program to Date total includes interest earnings. The 2008 Bonds were partially defeased with the issuance of the 2012 Bonds on June 14, 2012, thereby reducing the 2008 Bond Proceed Disbursement.
5. 2010, 2012, 2014, 2016, and 2018 Bond Proceeds have been fully disbursed and the Program to Date includes interest earnings.
6. The 2012 Bond total includes a premium of \$55.8 million, the 2014 Bond total includes a premium of \$55.3 million, the 2016 Bond total includes a premium of \$78.8 million, the 2018 Bond includes a premium of \$31.6 million and the 2020 bond includes a premium of \$20 million.
7. On March 25, 2021 the Commission issued \$265.9 million in 2021AB bonds of which \$170 million was used to refund the 2014A bonds. The bonds were issued at a premium of \$36 million with \$130 million in project funds available to be used on Major Corridor projects. All project funds as of March 31, 2023 have been expended.

Approval of Proposed Contract Awards: Inland Rail Trail Bikeway Project and Batiquitos Lagoon Double Track Project

Overview

Solicitations valued at \$5 million or more are brought to the Board of Directors for approval prior to advertisement and again prior to contract award. This month there is one pending action for the Board's consideration.

Key Considerations

1. Inland Rail Trail Bikeway Project

SANDAG solicited bids from qualified and experienced contractors between November 2023 and February 2024 to construct the Inland Rail Trail Phase 3B Bikeway Project. An engineer's estimate of \$14,819,811 was prepared prior to issuance of the Invitation for Bids (IFB).

The project consists of constructing a 1.1 mile, Class I bicycle facility between Civic Center Drive and Mar Vista Drive in Vista, CA, mostly within the existing North County Transit District right-of-way, parallel to the COASTER railroad tracks. The bikeway is an 8 to 10-foot wide multiuse path that will connect to existing sidewalks and bike paths. Work will include grading, retaining walls, drainage improvements, asphalt concrete paving over crushed aggregate base, landscaping and irrigation, lighting, black chain link fence and gates, water quality swales, signing, and pavement delineation. The additive alternative work is for a CCTV system. The scope includes procurement of all materials and performing all work necessary to complete the project in accordance with the plans and Special Provisions.

The solicitation was posted to SANDAG's online bidding platform; bids were received from two firms as follows (bid pricing has been rounded):

Name of Bidder	Base Bid	Additive Alternative I	Total Bid
Reyes Construction, Inc.	\$14,079,543	\$159,666	\$14,239,209
Hazard Construction Engineering LLC	\$25,468,440	\$208,830	\$25,677,270

The lowest responsive and responsible bid amount is 3.9% under the engineer's estimate and has been evaluated in accordance with SANDAG's policies and procedures. Accordingly, the lowest responsive and responsible bid has been deemed fair and reasonable. Staff recommends Reyes Construction, Inc., for contract award. The total value of the contract will not exceed \$14,239,209 plus a 10% contingency of \$1,423,921 for a total of \$15,663,130.

Action: Approve

The Board of Directors is asked to authorize the Chief Executive Officer to award a contract to the vendor identified in this report for the Inland Rail Trail Phase 3B Bikeway Project and a task order amendment for the Batiquitos Lagoon Double Track Project.

Fiscal Impact:

Funding for the contracts will be derived from Capital Improvement Program Project Nos. 1223094 and 1239186 respectively.

Schedule/Scope Impact:

The selected contractor for the Inland Rail Trail Bikeway Project will provide services to complete the project in the estimated 500 working days.

The task order amendment to the Batiquitos Lagoon Double Track Project will add approximately 18 months of project support services.

2. Batiquitos Lagoon Double Track Project

Staff are recommending a sole source task order amendment which will add scope and capacity to an existing task order with HNTB and their subconsultants for two tasks related to the Batiquitos Lagoon Double Track Project (Project). This amendment will allow HNTB to support SANDAG and Caltrans staff in negotiating with the Construction Manager/General Contractor (CMGC) as well as provide additional Least Tern Nesting Site monitoring as requested by US Fish & Wildlife (USFWS), the permitting agency.

HNTB was selected as the most qualified firm to provide preliminary engineering, and development of 100% plans, specifications, and cost estimates for the Project in 2012.

The Project will be built via a CMGC method. The construction bid was received recently, and the proposed cost is considerably higher than the engineer's estimate. SANDAG and Caltrans are reviewing innovations and value engineering methods proposed by the contractor. This effort requires technical support from the Engineer of Record (HNTB) as the overall project design needs to be reviewed and changes may be required. HNTB will support SANDAG and Caltrans staff in their negotiations with the CMGC as potential changes are discussed, and will assist in the determination of a fair and reasonable price that will allow the project to enter construction. HNTB assisted with the preparation of the engineer's estimate which is an integral part of the CMGC negotiation process.

Additionally, HNTB and their subconsultants have performed Least Tern Nesting Site monitoring at the request of USFWS, and this work is required to continue as part of the project.

Staff believes that a sole source award of this additional work is justified under Federal Procurement Regulations as follow-on work as it is likely that award to another consultant would result in both substantial duplication of costs that are not expected to be recovered through competition and unacceptable delay.

The total Project cost to date for HNTB's service is approximately \$9,430,856. This amendment would add an additional \$233,463 of which \$202,737 will be for HNTB's subconsultant team.

Note: Contract and task order awards under \$5 million are not typically presented to the Board for approval. Due to the nature of the proposed task order award and the Board's ongoing interest in SANDAG's contracting practices with HNTB, staff's recommendation has been included in this report for the Board's consideration.

Next Steps

Pending approval by the Board, SANDAG will award the contract and task order amendment to the firms noted in this report.

Kelly Mikhail, Director of Contracts and Procurement Services

Meetings and Events Attended on Behalf of SANDAG

Overview

In accordance with Government Code requirements, when members of a legislative body attend meetings at the expense of the local agency, a report is to be provided summarizing such meetings. Since the last report, Board of Directors members reported their participation in the following meetings and events on behalf of SANDAG. Key topics of discussion are also summarized.

February 14, 2024: Legislative Forecast Review of the Governor's Budget

Chairwoman Nora Vargas (County of San Diego) participated as a SANDAG representative and provided the welcome remarks for the legislative housing forum to help give industry professionals insight into how state housing legislation and the Governor's proposed budget will impact housing programs in San Diego County. This event was part of a forum series that SANDAG and LeSar/Global Policy Leadership Academy are partnering on in support of their shared commitment to addressing San Diego's housing crisis.

February 11-14, 2024: NARC National Conference of Regions

Councilmember Jack Fisher (City of Imperial Beach) attended the NARC National Conference of Regions as the official SANDAG appointed representative. The Conference of Regions is NARC's forum to discuss key policy issues and determine a legislative agenda for the year ahead, targeting topics central to our members and their local elected officials. NARC hosts its annual National Conference of Regions in Washington, DC for councils of government, metropolitan planning organizations, and other regional organizations, and their local elected leaders and professional staff. The conference draws a national audience consisting of elected city, county, and state officials, professionals, academics, and private sector representatives.

February 29, 2024: FACT Board of Directors Meeting

Deputy Mayor Jewel Edson (City of Solana Beach) attended the FACT Board of Directors meeting as the official SANDAG representative. The FACT Board received updates from SANDAG and Caltrans, an update on Ride FACTNOW service, and discussed the meeting calendar for 2024.

March 12, 2024: Reconnecting Communities Press Conference

Vice Chair Sean Elo-Rivera (City of San Diego) participated as the official SANDAG representative at the Reconnecting Communities Press Conference. Vice Chair Elo-Rivera spoke along with Secretary of Transportation Toks Omishakin and Caltrans Director Tony Tavares at the State press conference to award SANDAG and our partners the Reconnecting Communities: Highways to Boulevards grant; SANDAG is one of three recipients in the state.

Action: Information

This report provides an update on meetings and events attended by Board members.

Fiscal Impact:

Funding for expenses related to these meetings is provided via Overall Work Program Element No. 9000100 in accordance with Article III, Section 5 of the SANDAG Bylaws.

Schedule/Scope Impact:

None.

March 15, 2024: CALCOG Board of Directors Meeting

Councilmember Jose Rodriguez (City of National City) participated in the CALCOG Board meeting as the official appointed representative for SANDAG. The CALCOG Board discussed strategic priorities, priority legislation, and received an update on the REAP budget advocating that the Legislature reject the Governor's proposed rescission of \$300 Million in the Regional Early Action Program (REAP). The Board also supported SCAG sponsored legislation AB 2485 (Carillo) a bill would improve the development of the RHNA determination by ensuring its accuracy and transparency.

March 18, 2024: LOSSAN Agency Board of Directors Meeting

Councilmember Joy Lyndes (City of Encinitas) attended the LOSSAN Board of Directors meeting as the official SANDAG representative. The Board participated in discussions about the LOSSAN corridor and agency.

Victoria Stackwick, Chief of Staff

Draft FY 2025 SANDAG Program Budget*

Overview

The annual budget is the document that authorizes and provides funds for the work that SANDAG does. Development of the [FY 2025 Program Budget](#) is under way. As part of the budgeting process, staff considers work elements related to meeting federal, state, and local mandates (Attachment 3); the strategic direction of the agency (Attachment 4); and the funding environment and economic outlook for the region, state, and nation (Attachment 5); as well as recent legislative developments related to transportation funding.

The Draft FY 2025 SANDAG Program Budget), totaling \$1.3 billion, reflects direction received from the Board of Directors during the last year, [including the budget amendment approved on October 27, 2023](#).

Key Considerations

The [FY 2025 Program Budget](#) allocates funding for the programs, projects, services, and activities that SANDAG intends to carry out in the upcoming year to support implementation of the agency's strategic plan and the approved 2021 Regional Plan.

There are three primary components of the Program Budget: Overall Work Program (OWP), Regional Operations, and the Capital Budget.

Action: Discussion/Possible Action

The Board of Directors is asked to consider the Draft FY 2025 Program Budget and to either approve the draft budget as presented, or to direct staff to either make specified revisions to the draft budget or provide the Board with additional information regarding projected revenues or proposed expenditures in the draft budget.

Fiscal Impact:

The [Draft FY 2025 Program Budget](#) includes \$1.3 billion in local, state, and federal funding for SANDAG activities, including \$654.5 million of capital project delivery and \$240 million of TransNet revenue which is passed through as Local System Improvement (\$137 million) and transit operation (\$103 million) allocations.

Schedule/Scope Impact: SANDAG Bylaws require Board of Directors to consider a draft budget no later than April 1 of each year, and again during the month of May, with the final budget adopted no later than June 30.

Budget Comparison	Draft FY 2025 (in \$millions)	FY 2024 (in \$millions)
Overall Work Program (Chapter 2)	\$114.7	\$98.6
Regional Operations and Services (Chapter 3)	\$79.1	\$69.5
Capital Budget (Chapter 5)	\$654.5	\$648.1*

* As amended through the fall 2023 budget amendment

Comparing year over year budgets, the \$16.1 million net increase in the OWP budget is primarily attributable to several new programs, and projects getting underway to implement the 2021 Regional Plan and several projects with multi-year funding attributed to FY 2025 that will be carried over into outyears in the final budget. New programs include the beginning of the Regional Infrastructure Incubator (3102900). In addition, there is an increase in grant awards to local jurisdictions for planning and capital projects from the Regional Housing Acceleration Program (3321902). Updates will be made in the proposed FY 2025 Final Budget as more information becomes available.

For the Capital Program, the annual spending increased \$5 million due to construction beginning at the Otay Mesa East Port of Entry (1201101), along the LOSSAN rail corridor at the Batiquitos Lagoon (1239816) and the San Dieguito Lagoon (1239822), and several bike projects (1223081, 1223083, and 1223084). Significant construction continues along Interstate 805 (1280515 and 1280516), the Interstate 5 North Coast Corridor (1200504, 1200509, and 1200510), along the LOSSAN rail corridor at Del Mar Bluffs (1147100) and San Onofre to Pulgas (1146600), and for several bike projects (1223055, 1223056, and 1223058).

Attachment 5 provides an overview of the Staffing Resources, Compensation Program, and Employee Benefits.

Next Steps

Pending approval of the [Draft FY 2025 SANDAG Program Budget](#) by the Board of Directors, staff will incorporate feedback from the Board, member agencies, funding agencies and other interested parties. Should the Board direct staff either make specified revisions to the draft budget or provide the Board with additional information regarding projected revenues or proposed expenditures in the draft budget, staff will return with the requested modifications or information. The proposed Final FY 2025 SANDAG Program Budget is scheduled for review and adoption by the Executive Committee and Board in May 2024.

Susan Huntington, Director of Financial Planning, Budgets, and Grants

- Attachments:
1. Budget in Brief
 2. [Draft FY 2025 SANDAG Program Budget](#)
 3. Overall Authority, Responsibilities, and Mandates
 4. Strategic Planning Framework
 5. Current Funding Environment
 6. FY 2025 Program Budget: Staffing Resources, Compensation Program, and Employee Benefits

FISCAL YEAR

2025

BUDGET IN BRIEF

SANDAG has several federal, state, and local designations and mandates that form the framework for what we do. Our projects and programs provide accessible transportation options, affordable housing, informative data, and much more. They preserve our natural resources and mitigate the effects of climate change. TransNet sales tax accounts for 35% of the budget and has been the driving force for improving transportation infrastructure in the San Diego region for more than three decades. The majority of TransNet revenue flows directly through SANDAG to transit operators and local jurisdictions. We use our local funding to leverage other state and federal sources, which together represent of the majority of the budget revenue.

Major Projects

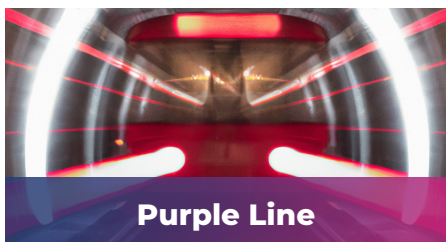
The FY 2025 budget reflects the action SANDAG will take to help fulfill our region's needs, including continual work on several major projects.



**Airport Transit
Connection**



**Otay Mesa East
Port of Entry**



Purple Line



Regional Bike Network



LOSSAN



Blue Line Improvements



TransNet Major Corridors



Toll Operations

Key Initiatives

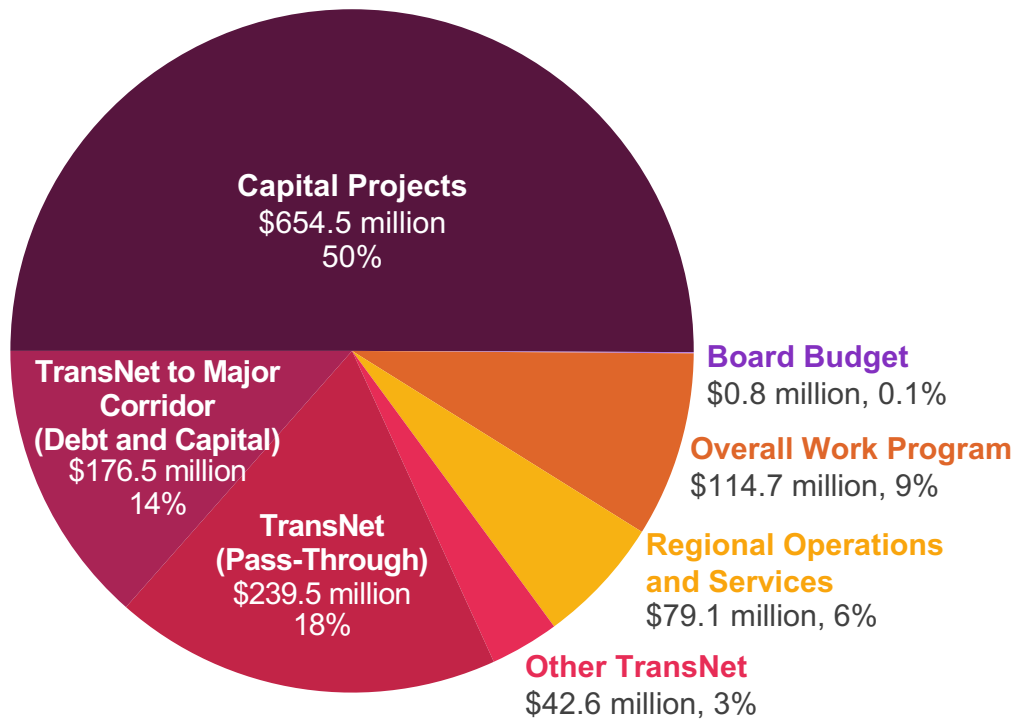
Many of the San Diego region's transportation challenges are deeply connected to larger societal issues that impact everyone's quality of life. These include economic and social inequities, climate change, public health, and safety. SANDAG is leading several initiatives focused on mobility options, increased safety, and access to opportunities. By partnering with our community members—from businesses to elected officials—we can ensure that all our efforts are grounded in what's important to our communities.

- **Data, Research, and Analytics**
- **People, Processes, and Technology**
- **Safety and Vision Zero**
- **Transit Equity and the Youth Opportunity Pass**
- **Reconnecting Communities**

Budget Overview

Total Budget Breakdown

SANDAG adopts an annual program budget, which is a comprehensive financial summary of the agency's activities. There are three primary components of the program budget: Overall Work Program, Regional Operations and Services, and Capital Projects. Internal operations costs are incorporated into the projects within each major budget component, except for the Board budget, which stands alone.



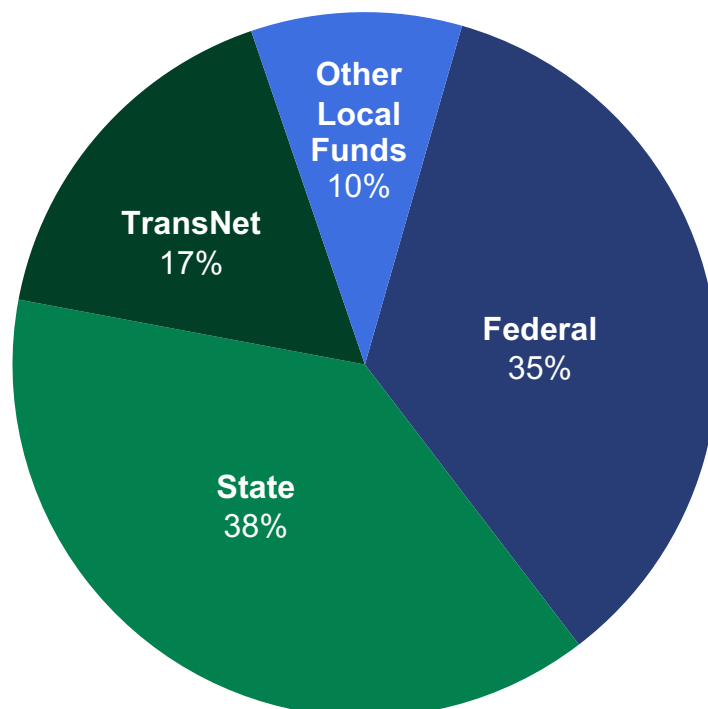
* Pass-through funds go to local jurisdictions and transit operators.

NOTE: Totals include administration budget which is allocated to the above programs/projects.

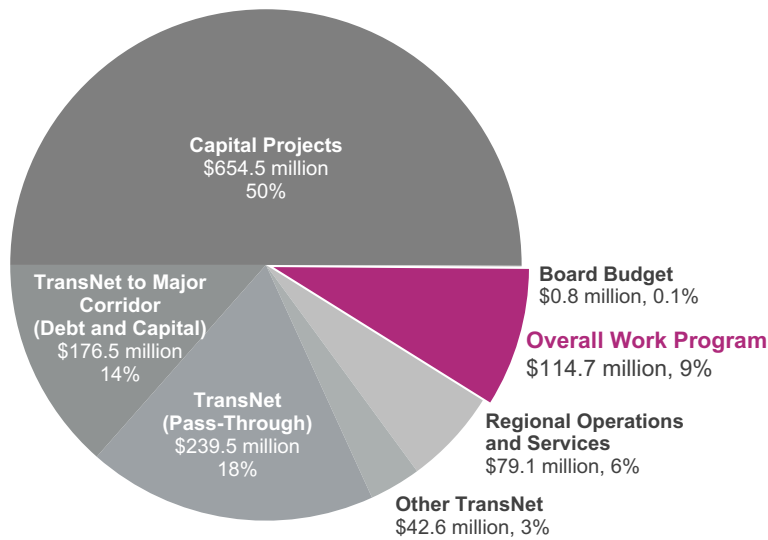
Budget Revenue

for Overall Work Program, Capital Projects, and Regional Operations and Services

State, federal, and local revenues represent the majority of the budget for the three primary budget components, with TransNet sales tax accounting for 17%. Most annual TransNet revenue flows directly through SANDAG to transit operators and local jurisdictions. Additionally, the 19 SANDAG member jurisdictions are assessed a fee according to population. Member agency assessments will account for \$1.4 million in FY 2025.



Overall Work Program Projects

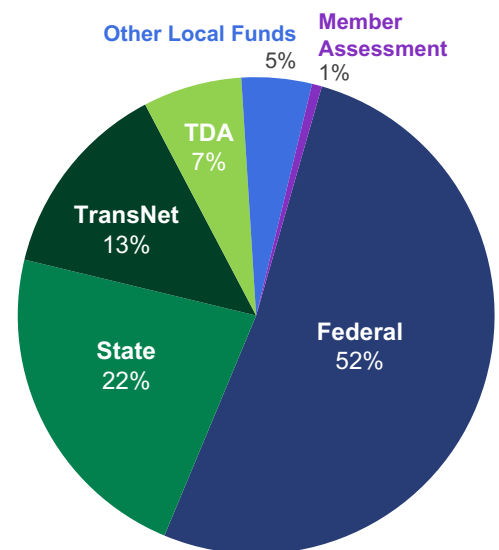


The Overall Work Program (OWP) is an inventory of the regional planning projects and programs that will be undertaken during the fiscal year. Examples of this work include the Regional Plan and Data and Modeling services. The OWP includes a summary of local, state, and federal funding sources to support these work efforts.

61 Total OWP Projects

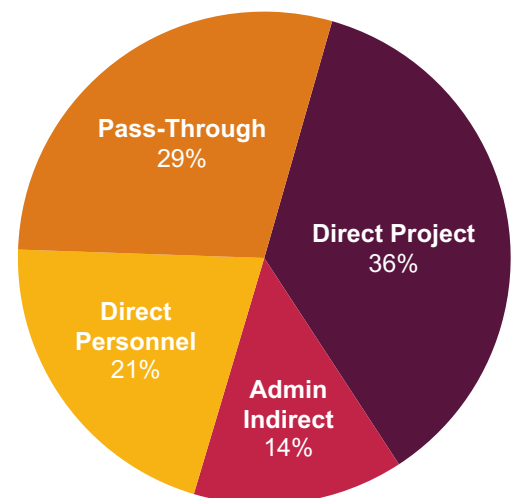
Revenue

Federal	\$59,440,143
State	\$25,778,277
TransNet	\$15,504,973
TDA	\$7,696,677
Other Local Funds	\$5,464,673
Member Assessment	\$771,090
TOTAL OWP Revenue	\$114,655,833

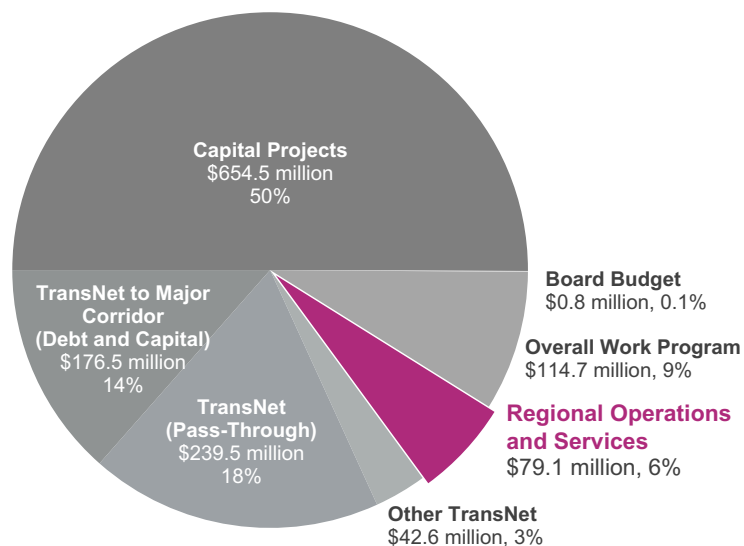


Expenses

Direct Project	\$41,676,599
Admin Indirect	\$15,846,758
Direct Personnel	\$23,998,269
Pass-Through	\$33,134,207
TOTAL OWP Expenses	\$114,655,833



Regional Operations and Services

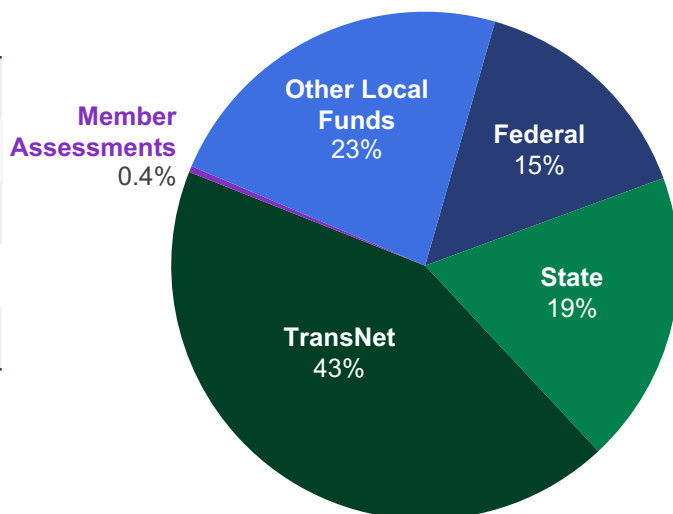


This component of the budget provides management of ongoing operational programs and customer services that deliver enhanced mobility and public safety services. It provides for maintenance and support of intelligent transportation and regional law enforcement data systems that support travelers and public safety agencies in the San Diego region.

40 Total Regional Operations and Services Projects

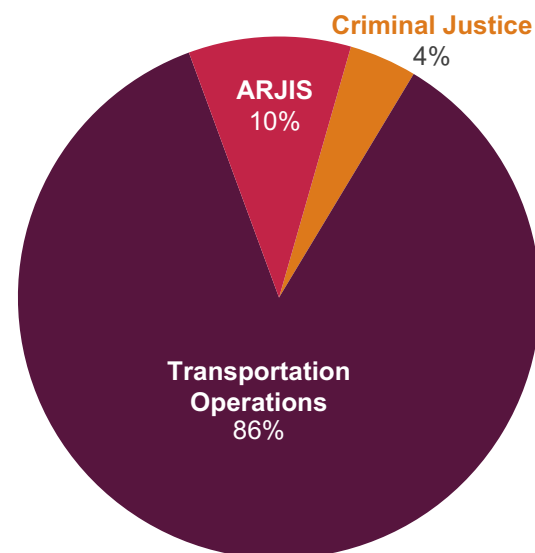
Revenue

Federal	\$11,823,091
State	\$14,745,070
TransNet	\$33,971,442
Member Assessments	\$310,845
Other Local Funds	\$18,211,485
TOTAL Operations Revenue	\$79,061,933

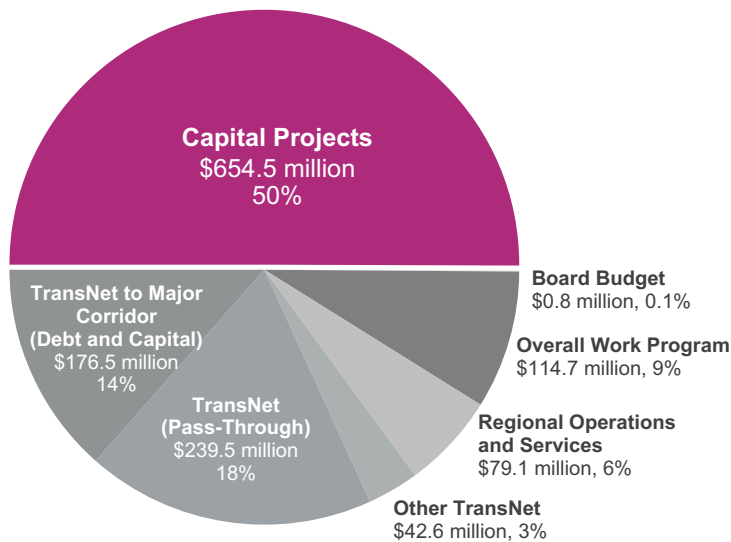


Expenses

Criminal Justice	\$3,306,786
Transportation Operations	\$67,805,046
ARJIS	\$7,950,102
TOTAL Operations Expenses	\$79,061,934



Capital Projects

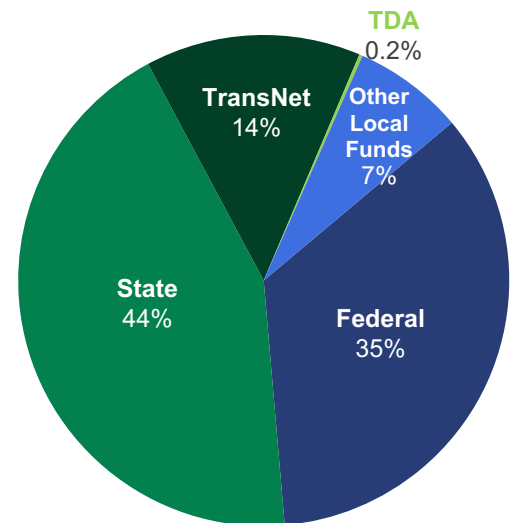


The Capital Projects Budget is the largest component of the SANDAG Program Budget. It's a direct result of state legislation that made SANDAG the responsible agency for construction of major regional transit facilities. This component of the budget includes the multi-year TransNet Major Corridor and Regional Bikeway Program and other transit and capital improvements.

119 Total Capital Projects

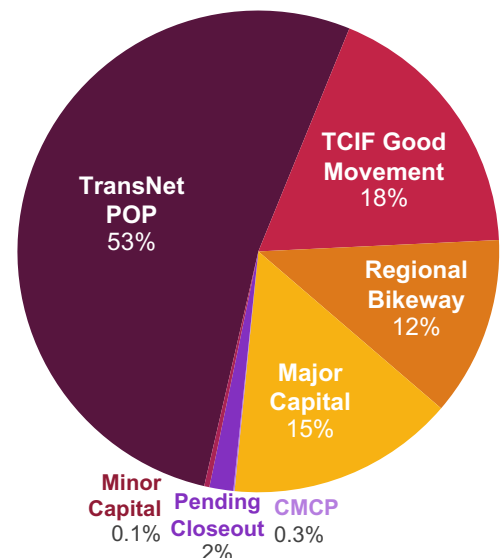
Revenue

Federal	\$227,429,000
State	\$285,077,000
TransNet	\$92,841,000
TDA	\$1,449,000
Other Local Funds	\$47,743,000
TOTAL Capital Revenue	\$654,539,000



Expenses

TransNet Program of Projects (POP)	\$344,013,000
TCIF Good Movement	\$118,310,000
Regional Bikeway	\$78,849,000
Major Capital	\$100,049,000
Minor Capital	\$555,000
Pending Closeout	\$10,479,000
CMCP	\$2,284,000
TOTAL Capital Expenses	\$654,539,000





Organizational Structure

Overall Authority, Responsibilities, and Mandates

SANDAG has several federal, state, and local designations that form the framework for what we do. Below are some of SANDAG's most important designations and critical responsibilities. You can find SANDAG's governing legislation and a complete list of our mandates and designations on our website at sandag.org/about/bylaws-and-policies.

Federal Designations

Metropolitan Planning Organization (MPO): Every major region throughout the country is required to have an MPO. As the San Diego region's MPO, SANDAG is one of 18 in California. In this role, we are required to have a long-range, comprehensive Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP). This role also allows us to receive formula federal funds.

Some of SANDAG's other federal designations include:

- ▶ Co-Lead Agency for Air Quality Planning (federal and state)
- ▶ Area-Wide Clearinghouse (federal and state)

The Federal Land Management Agencies (FLMAs) in our region include: the Bureau of Indian Affairs, U.S. Forest Service, National Park Service, U.S. Fish and Wildlife Service, Bureau of Land Management, Bureau of Reclamation, and the Department of Defense (including the U.S. Army Corps of Engineers and Military Surface Deployment and Distribution Command). SANDAG and its member agencies coordinate with all applicable FLMAs in the San Diego region affected by the various transportation projects included in this budget. We anticipate that the Department of Defense and U.S. Fish and Wildlife will be contacted most frequently.

State Designations

Regional Transportation Planning and Fund Allocation Agency: As the regional transportation planning agency, SANDAG adopts the RTP and RTIP, the five-year programming of state and federal transportation funds. The agency also allocates Transportation Development Act funds (local quarter-percent sales tax collected statewide and returned to the county based on the amount collected, approximately \$205 million in FY 2024).

San Diego Regional Consolidated Agency: This designation consolidated regionally significant transit planning, programming, project development, and construction into SANDAG. Day-to-day operations responsibilities remain with the existing transit operators. SANDAG is also authorized by statute to place a ballot measure before the voters and use revenues from the sales tax to provide infrastructure that maintains and improves the region's quality of life. Examples include habitat conservation, shoreline preservation, water quality enhancement, and public transit.

Some of SANDAG's other state designations include:

- ▶ Co-Lead Agency for Air Quality Planning (federal and state)
- ▶ Area-Wide Clearinghouse (federal and state)
- ▶ Housing
- ▶ Otay Mesa East Toll Facility Act
- ▶ Congestion Management Agency (state and local)

Local Designations

Council of Governments: This designation makes SANDAG the public forum for regional decision making among the area's 18 cities and county government relating to a broad range of topics pertinent to the region's quality of life.

Some of the regional topics include strategic planning, allocation of resources, and the creation of accurate, timely, and useful demographic, economic, transportation, planning, borders, environmental, and public safety information.

San Diego County Regional Transportation Commission (Local and Voter Approval):

In this role, SANDAG administers the local half-cent sales tax, TransNet, for transportation purposes including oversight and funding. In FY 2023, TransNet brought in approximately \$443 million.

Regional Toll Authority (Congestion Management and Infrastructure Financing):

In this role, SANDAG is responsible for the delivery and operation of pricing programs such as the Interstate 15 Express Lanes and future managed lanes. Fees support the operation and maintenance of the program and provide additional funding for *Rapid* transit and vanpool services in the corridor.

Automated Regional Justice Information System (ARJIS): The purpose of the ARJIS Joint Powers Agency is to develop and maintain state-of-the-art criminal justice information technology that provides its members with seamless, cross-jurisdictional access to essential, accurate, real-time data via a secure criminal justice enterprise network. As the convening agency for regional justice technology, ARJIS enhances officer and public safety.

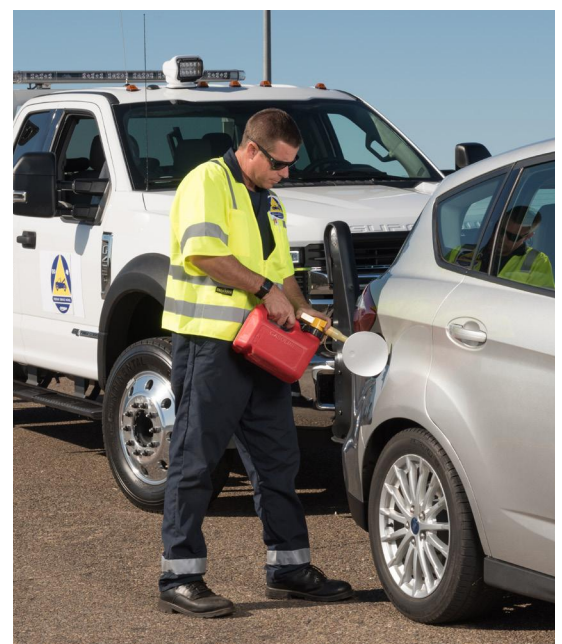
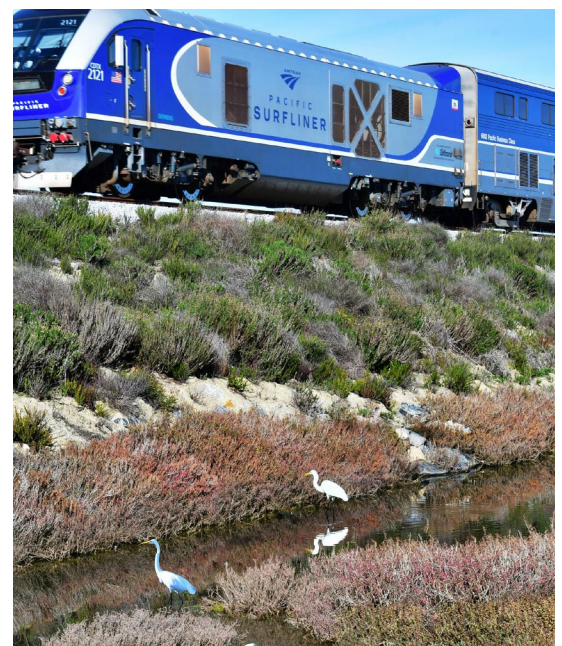
Freeway Service Patrol Administration: In this capacity, SANDAG provides rapid assistance to stranded motorists during peak traffic periods on various highways. This service reduces congestion and increases safety.

Some of SANDAG's other local designations include:

- ▶ Congestion Management Agency (state and local)
- ▶ Regional Census Data Center
- ▶ Regional Criminal Justice Clearinghouse

Other Designations:

- ▶ North County Multiple Habitat Conservation Program
- ▶ Successor Agency for the San Diego Service Authority for Freeway Emergencies
- ▶ Regional Transportation Demand Management Program Administration
- ▶ State Route 125 Toll Facility
- ▶ Intergovernmental Review
- ▶ Regional Information System
- ▶ SANDAG Service Bureau
- ▶ Fee-for-Services
- ▶ Master Agreement with Caltrans
- ▶ Memoranda of Understanding with Member Agency(ies)
- ▶ Memoranda of Understanding with Metropolitan Transit System and North County Transit District
- ▶ Local, State, or Federal Grant Conditions
- ▶ Regional Beach Sand Replenishment Program



Strategic Planning Framework

Vision

Pursuing a brighter future for all

Mission

We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.

Our Guiding Principles:

Imagine the possibilities, partner for success, make it happen.

Core Values:

The advancement of equity and inclusion is embedded in everything we do.

Our organizational culture inspires people to do their best work.

We effectively use data and analytics to inform decision making.

Strategic Initiatives

The following strategic initiatives establish a strong foundation to ensure our success as an organization, and build the capacity needed to effectively deliver projects.

1. Refine organizational structure and systems to allow us to **streamline work products and resource teams appropriately** to advance and complete programs and projects.
2. Ensure that **necessary technology and systems** are in place, including for the new office space and a paperless environment with electronic document management.
3. Communicate to the Board and public in a **clear, authentic, timely, and transparent** manner.
4. Continue practices that **attract and retain** highly qualified and motivated staff. Invest in training staff and succession planning.
5. Refine **processes and policies to ensure compliance and integrity of SANDAG operations and allow efficient access** to needed talent and expertise.

Fund Sources

SANDAG's Program Budget includes many fund sources. The following list, though not exhaustive, describes revenue reflected in the Program Budget. Actual estimates in the Draft FY 2025 Program Budget will be developed and updated between November and the end of January.

Local Sales Tax Revenue – Despite two years of strong inflation and economic uncertainty, local sales tax revenue has seen healthy year-over-year gains. FY 2022 recorded an unprecedented 21.5% year-over-year increase in TransNet revenue (\$405.9 million), and FY 2023, sales tax revenue grew another 5.9%. However, expectations for FY 2024 and FY 2025 are being downgraded as inflation wanes and rising interest rates begin to slow the economy. Q1 FY2024 sales tax revenue did not keep pace with the forecast, signaling softening of growth expectations for FY2025 may be needed.

Federal and State Revenue – Revenues are subject to both the state and federal governments approving annual budgets and are initially assumed to remain flat. Actual appropriation of metropolitan planning organization (MPO) planning funds will be announced in subsequent notices appearing in the Federal Register.

Federal formula funds for capital projects increased in FY 2024 pursuant to the Infrastructure Innovation and Jobs Act (IIJA) and based on the region's air quality redesignation from moderate to severe which increased the share of the annual Congestion Mitigation and Air Quality program apportionment. SANDAG and the transit agencies are also eligible for formula funds under several state programs that include planning, operations, and capital funding. Additional funding may become available through formula appropriation in FY 2025 depending on how the State of California distributes the additional funds made available through the passage of the IIJA.

Other Revenue and Grants – Dedicated grants, enterprise revenue, and ongoing multi-year state and federal grant programs provide funding for projects and programs in the OWP, capital, and regional operations budget components. In particular, SANDAG and the transit agencies are eligible for discretionary funds under many federal and state programs with awards continuing in FY 2024 and FY 2025. SANDAG continuously competes for discretionary grants for its planning and capital programs that are added to the Program Budget as they are awarded.

The revenue generated on the State Route 125 (SR 125) toll road and the Interstate 15 (I-15) Express Lanes have shown positive growth. Traffic and revenue on the SR 125 toll road and the Interstate I-15 Express Lanes increased during FY 2023 and the first quarter of FY 2024. Toll and Express Lane revenues will be updated for the Draft 2025 Program Budget along with the rest of the revenues discussed above.

FY 2025 Program Budget: Staffing Resources, Compensation Program, and Employee Benefits

Two of the agency's FY 2025 strategic initiatives tie directly to ensuring that SANDAG has a strong team of dedicated employees, capable of delivering the work program commitments.

- ***Refine organizational structure and systems to allow us to streamline work products and resource teams appropriately to advance and complete programs and projects.***
- ***Continue practices that attract and retain highly qualified and motivated staff. Invest in training staff and succession planning.***

The continual evolution of the policies, practices, and programs that establish SANDAG as a highly desirable employer of choice and improve the employee experience with elements such as competitive pay, benefits, and rewards, flexibility in work arrangement and schedule, an optimized work environment, and opportunities for professional development and advancement are among the highest priority goals. Organizationally, this work is underpinned with a team of effective leaders and managers, and strong performance management practices that establish priorities, provide clarity to each employee about their role and contributions, and support a work environment where innovation, collaboration, teamwork, and accountability are essential for success. The Draft Budget contains resources to support this priority.

Staffing Resources

SANDAG relies on its talented and highly engaged team of planners, engineers, modelers and data scientists, finance, communications, and business professionals, and administrative and technical support staff to successfully deliver the agency's projects, programs, and services. Throughout the year and during development of the Draft FY 2025 Program Budget, staffing resources have been considered strategically in the context of program and project priorities. SANDAG has been successful in its staffing efforts, filling positions at all levels of the organization – through promotions and reclassifications of existing employees, and through recruitment activities that have brought new skills and experiences to the organization. The turnover rate in FY 2023 was 14% and is trending toward a similar number this year. This is an indication that ongoing efforts are necessary for retaining employees. Management will continue a broad range of initiatives in FY 2025 to drive and support a high-performing culture.

The Draft FY 2025 Budget proposes five new full-time staff positions – two for the Office of the Independent Performance Auditor, two for Regional Tolling Operations, and one for the Office of General Counsel. Eleven (11) new positions have been added since approval of the current year budget in response to agency priorities – one for the Office of the Independent Performance Auditor, six for Regional Tolling Operations, and four others in the Engineering and Construction and Public Affairs teams funded by the capital program to support regional projects.

Compensation Program

SANDAG's goal is to maintain a fair, effective, and market-competitive compensation program to attract qualified candidates for job openings, minimize organizational disruption due to unwanted turnover, and retain the team of employees who are essential to the agency's success. The Draft Budget includes two preliminary recommendations that reflect current market and economic conditions; one pertains to maintenance of the agency's salary range structure, the other is a pool of resources to provide pay increases.

The SANDAG salary range structure is proposed to increase by 3% in FY 2025; this means the minimum and maximum of each salary range will increase by 3% at the beginning of the new fiscal year. This recommendation aligns with trends reported by compensation consultancies for the year ahead and will ensure the agency remains competitive with respect to the market. There are no costs associated with this action; the change in salary ranges does not translate to automatic increases to employee salaries. The proposed FY 2025 Classification/Salary Range Table can be found in Chapter 8: Personnel.

The Draft FY 2025 Budget includes a preliminary recommendation for a 5% compensation adjustment pool. The proposed funds would provide a 2% general salary increase to eligible employees, and the balance would be used for performance rewards (merit increases). The anticipated cost of the proposed 5% pool is approximately \$3,265,100. This includes \$2,486,000 in salary expenses and a corresponding increase to the benefits budget of \$778,900 due to increased costs for salary-based benefits such as the agency's contribution to the CalPERS pension plan, workers compensation, and Medicare taxes.

In late 2023, SANDAG's compensation consultant, CPS HR Consulting, was engaged to conduct a Base Salary Market Study to gather information about the salary ranges established by other organizations for positions that are similar to those at SANDAG. Studies like the one underway are completed every two-to-three years and are important for maintaining the agency's compensation program. The project will evaluate the existing SANDAG salary ranges for approximately 24 benchmark positions relative to those at 12 comparable public agencies to determine the overall competitiveness of SANDAG's compensation program; published data representing pay practices for private sector firms also will be considered. The scope of the study also includes an assessment of SANDAG's current pay practices relative to the goal of providing market-competitive wages. Recommendations from the study, which may include a further adjustment to the overall salary structure, reallocation of positions to higher-level ranges, and/or additional resources to support pay equity will be presented to the Board with the Final FY 2025 Budget.

SANDAG will continue its pay-for-performance compensation model next year; this is designed to support the highest levels of organization performance. In recent months, directors and managers have undertaken significant work to clarify and focus resources and work efforts on the agency's strategic initiatives and priority projects, and subsequently redefine department and team level goals and objectives. Employees also have been encouraged to identify professional development goals to expand technical knowledge and competencies necessary for ongoing success and to support future growth opportunities. The results of year-end Performance Evaluations are used to recommend performance rewards. During the past year, SANDAG continued to implement new practices to ensure fairness and equity in the distribution of merit increases, while also creating a mechanism to provide increased rewards to the agency's top performers.

Employee Benefits

SANDAG intends to maintain the employee benefits program in FY 2025. No new benefits are being added. Costs for pension plan contributions and health insurance benefits have increased; costs for other benefits have remained reasonably stable. As discussed above, the Draft Budget also includes an increase of approximately \$778,900 for salary-based benefits associated with the proposed compensation adjustment pool.

The benefits budget also includes contributions to two IRC Section 115 tax-exempt trusts established as a means for saving for future pension costs and OPEB (Other Post-Employment Benefits/retiree health insurance contributions) obligations. The pension pre-funding trust was established in FY 2017 with an initial contribution of \$3.5 million. A \$1 million contribution has been made in each subsequent fiscal year, and as of December 31, 2023, the Trust had a balance of approximately \$14,630,000. In keeping with the commitment to contribute funds to this trust each year, a \$1,000,000 contribution is recommended as part of the FY 2025 Draft Program Budget. SANDAG also participates in the CERBT (California Employers' Retiree Benefit Trust), administered by CalPERS to fund its OPEB obligations. Since joining the CERBT in 2009, SANDAG has made the full, actuarially determined contribution each year. As of December 31, 2023, SANDAG's balance in the CERBT was approximately \$7,666,000; the recommended contribution for FY 2025 is \$371,000.



Draft Program Budget

FY 2025

Coleen Clementson, Susan Huntington, and Ray Major
Board of Directors | Item 11
March 22, 2024

1

Overall Authority, Responsibilities, and Mandates

Metropolitan Planning Organization (Federal)	San Diego Regional Consolidated Agency (State)	San Diego County Regional Transportation Commission (Local and Voter Approval)
<ul style="list-style-type: none">• Adopt the long-range Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP), including air quality conformity analyses.• Adopt the annual Overall Work Program consistent with federal requirements and funding regulations.	<ul style="list-style-type: none">• Senate Bill 1703 mandated membership in the consolidated agency from the area's 18 cities and county government.• It also consolidated regionally significant transit planning, programming, project development, and construction into SANDAG.	<ul style="list-style-type: none">• San Diego County Regional Transportation Commission (Local and Voter Approval)• SANDAG is the designated commission and administers the local half-cent sales tax, TransNet, for transportation purposes.

SANDAG | 2

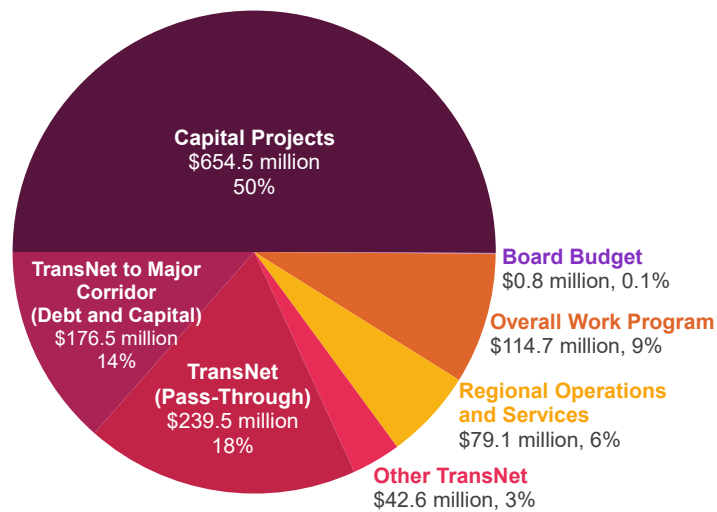
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CHAPTER 1

Budget Overview

3

FY 2025 Draft Program Budget – \$1.3 Billion

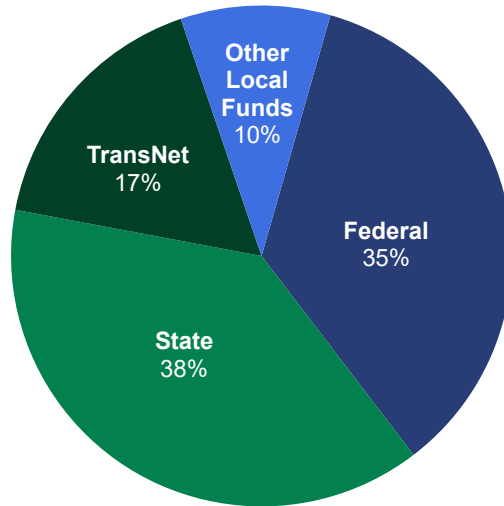


**Pass-through funds go to local jurisdictions and transit operators*

NOTE: Administration, Information Technology and Office of Independent Performance Auditor's budget of \$34 million is allocated to all major programs

4

FY 2025 Major Program Revenue (OWP, Capital, Operations)



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SANDAG

CHAPTER 2

Overall Work Program

6

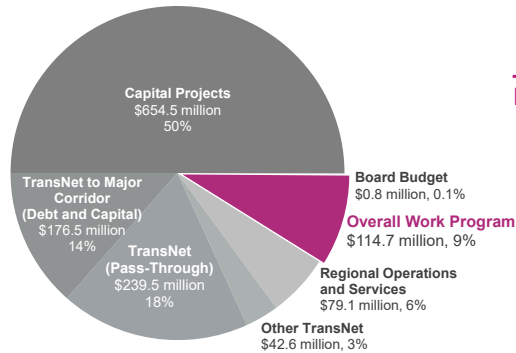
Overall Work Program

- Regional planning
- Project implementation
- Data and analytics
- Community engagement and financial management

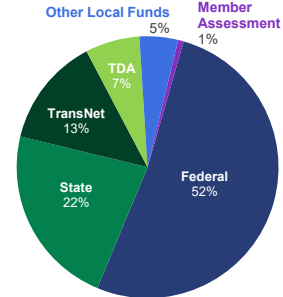
61 Total OWP Projects

OWP Budget Comparison

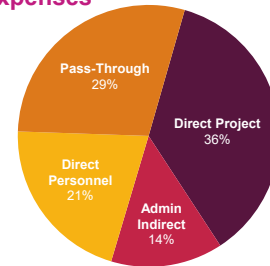
Draft FY 2025 (in \$millions)	\$114.7
FY 2024 (in \$millions)	\$98.6
Dollar Change	\$16.1
% Change	16.3%



Revenue



Expenses



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7

SANDAG

CHAPTER 3

Regional Operations and Services

10

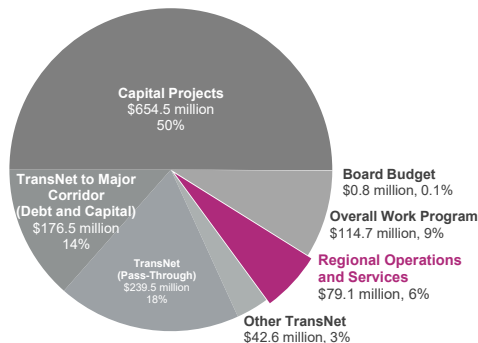
Regional Operations and Services

- SR 125 toll facilities
- I-15 FasTrak Managed Lanes
- Freeway Service Patrol
- ARJIS
- Criminal Justice

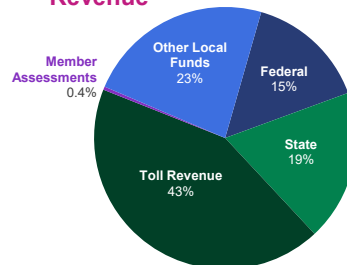
40 Total Operations Projects

Operations Budget Comparison

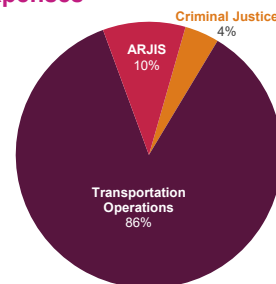
Draft FY 2025 (in \$millions)	\$79.1
FY 2024 (in \$millions)	\$69.5
Dollar Change	\$9.6
% Change	13.8%



Revenue



Expenses



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11

SANDAG

CHAPTER 5

Capital Projects

12

Capital Budget

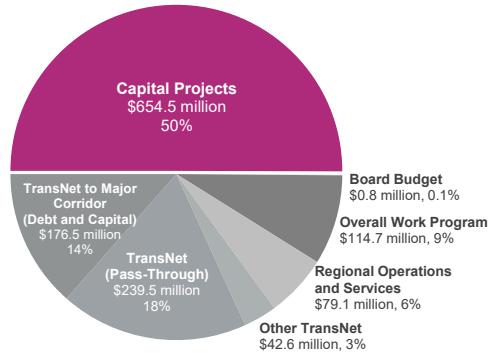
Projects Beginning Construction in FY 2025

- Otay Mesa East Port of Entry
- Batiquitos Lagoon Double-Track
- San Dieguito Lagoon Double-Track
- San Onofre to Pulgas Double-Track
- Eastern Hillcrest Bikeway
- University Bikeway
- Washington Street and Mission Valley Bikeways

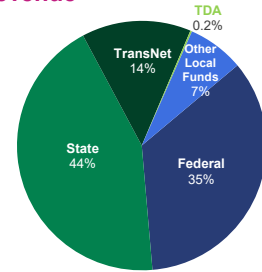
119 Total Capital Projects

Capital Budget Comparison

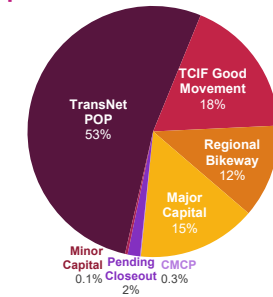
Draft FY 2025 (in \$millions)	\$654.5
FY 2024, as amended (in \$millions)	\$648.1
Dollar Change	\$6.4
% Change	1%



Revenue

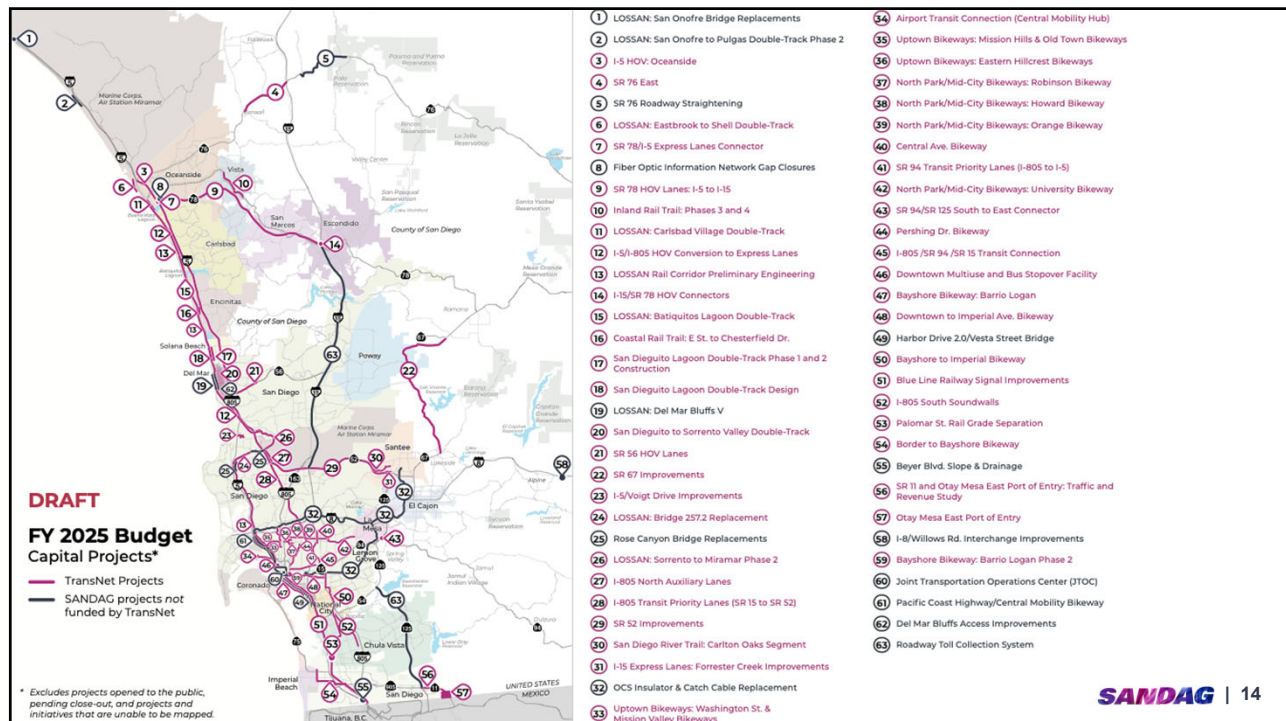


Expenses



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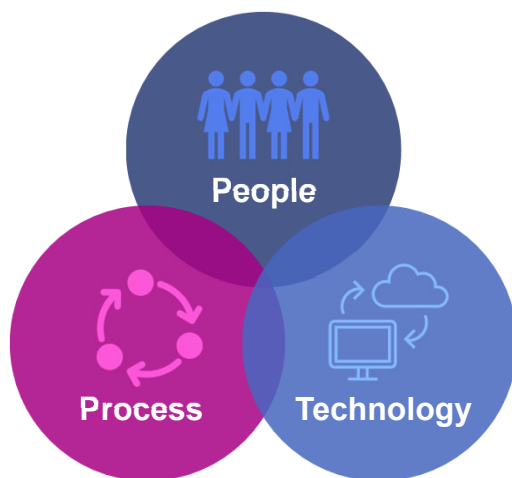
14

CHAPTERS 6 & 8

Internal Operations and Human Resources

15

Agency Strategic Initiatives



Invest in our **people**

- provide critical training and resources for employees
- recruit new talent
- enhance performance management
- focus on employee engagement and retention
- design new office space that optimizes the work we do

Reinvent and improve our **processes**

- organize as a matrix agency to implement projects
- create a budget and contracting processes that are nimble and transparent
- implement quality assurance measures

Invest in and implement **technology**

- ERP
- project management system
- records management/PRA's
- website integration

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Administration Budget

\$34 million (~2.6% of proposed FY 2025 budget)

- **Day-to-day operational costs including**
 - Rent
 - Insurance
 - Computer equipment
 - Network services
- **Investments in technology resources**
- **Office Relocation Project**
- **Office of the Independent Performance Auditor – \$2 million**

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Board Budget

\$768,000

- **Support for regular Board and Policy Committee meetings including:**
 - Stipends
 - Mileage reimbursements
 - Interpretation services
 - Security Services
 - Technology equipment/maintenance
- **Board travel**
- **Annual Board retreat**
- **\$50,000 in contingency funds**

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Personnel Budget

- **Staffing:** 438 full-time positions, including 5 new positions
- **Draft Compensation:**
 - Increase all salary ranges by 3%
 - 5% compensation adjustment pool
 - cost-of-living adjustment
 - performance-based merit increases
 - Base Salary Market Study underway, recommendations in May
- **Benefits:** No changes

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Budget Meeting Schedule



Executive Committee

Preliminary Budget Discussion
January 12, 2024



Board of Directors

Draft FY 2025 Budget
March 22, 2024



Release for Public Comment

Draft FY 2025 Budget
March 22, 2024



Social Equity Working Group

Draft FY 2025 Budget
March 28, 2024



Board of Directors

Proposed Final FY 2025 Budget
May 10, 2024

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Recommendation

The Board of Directors is asked to consider the draft FY 2025 Program Budget and to either approve the draft budget as presented, or to direct staff to either make specified revisions to the draft budget or provide the Board with additional information regarding projected revenues or proposed expenditures in the draft budget.