



San Bernardino Associated Governments

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- San Bernardino County Transportation Commission •San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency •Service Authority for Freeway Emergencies
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AGENDA

General Policy Committee Meeting

February 11, 2015

9:00 AM

Location

SANBAG

Super Chief Conference Room

1170 W. 3rd Street, 2nd Floor, San Bernardino, CA 92410

General Policy Committee Membership

Chair – SANBAG Vice President

Council Member Ryan McEachron
City of Victorville, *MDC Chair*

SANBAG President

Mayor L. Dennis Michael
City of Rancho Cucamonga

SANBAG Past President

Mayor Pro Tem Bill Jahn
City of Big Bear Lake

Mt./Desert Representatives

Mayor Joel Klink
City of Twentynine Palms

Supervisor Robert Lovingood
County of San Bernardino

East Valley Representatives

Council Member Dick Riddell
City of Yucaipa

Mayor Larry McCallon
City of Highland

Mayor Rhodes (Dusty) Rigsby
City of Loma Linda

Supervisor James Ramos
County of San Bernardino

West Valley Representatives

Mayor Paul Eaton
City of Montclair, *CRTC Chair*

Mayor Pro Tem Michael Tahan
City of Fontana, *MVSS Chair*

Supervisor Janice Rutherford
County of San Bernardino

Ray Wolfe
Executive Director

Eileen Monaghan Teichert
SANBAG Counsel

**San Bernardino Associated Governments
County Transportation Commission
County Transportation Authority
County Congestion Management Agency
Service Authority for Freeway Emergencies**

AGENDA

General Policy Committee Meeting

**February 11, 2015
9:00 AM**

Location

**SANBAG Super Chief Conference Room
1170 W. 3rd Street, 2nd Floor, San Bernardino, CA 92410**

CALL TO ORDER

(Meeting Chaired by: Ryan McEachron)

- i. Pledge of Allegiance
- ii. Attendance
- iii. Announcements
- iv. Agenda Notices/Modifications – Diane Greve

Possible Conflict of Interest Issues

Note agenda item contractors, subcontractors and agents which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation on the appropriate item.

1. Information Relative to Possible Conflict of Interest

Note agenda items and contractors/subcontractors, which may require member abstentions due to possible conflicts of interest.

This item is prepared monthly for review by SANBAG Board and Committee members.

CONSENT CALENDAR

Items listed on the Consent Calendar are expected to be routine and non-controversial. The Consent Calendar will be acted upon as a single motion. Items on the Consent Calendar may be removed for discussion by Board Members.

Consent - Administrative Matters

2. Measure I Revenue

Receive report on Measure I receipts for Measure I 2010-2040.

Hilda Flores

This item is not scheduled for review by any other policy committee or technical advisory committee.

3. December 2014/January 2015 Procurement Report

Receive the December 2014 and January 2015 Procurement Report.

Hilda Flores

This item is not scheduled for review by any other policy committee or technical advisory committee.

DISCUSSION ITEMS

Discussion - Administrative Matters

4. Presentation on Sales Tax Revenue Trends

Receive and file the presentation.

Duane Baker

This item has not scheduled for review by any other policy committee or technical advisory committee.

5. Fiscal Year 2014/2015 Work Goals and Objectives Second Quarter Report

Receive update on the Fiscal Year 2014/2015 Work Goals and Objectives

Ray Wolfe

This item is not scheduled for review by any other policy committee or technical advisory committee.

Discussion - Regional/Subregional Planning

6. Amendments to Measure I Strategic Plan Policies

That the General Policy Committee recommend the Board approve the following:

A. Amend Strategic Plan Policies 40001/VS-30 and 40013/VVMLH-27 to clarify the applicability of funds to buy down the total project cost or individual shares of project costs. See Attachment 1.

B. Amend item a30 in Strategic Plan Policies 40003/VLS-12, 40012/VVLS-16, and 40016/MDLS-14 by adding the following to each: “or the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.” See Attachment 2.

C. Amend Strategic Plan Policy 40006/VMS-49 by adding the following sentence. “Construction of off-roadway bicycle facilities is an eligible expense if they benefit safety or traffic flow on a Nexus Study roadway and are included in the Nexus Study arterial project list used for development mitigation. The local share for such a bicycle facility shall be the same as the local share for arterials in that jurisdiction.” See Attachment 3.

D. Amend Strategic Plan Policy 40006/VMS-54 to include a development share loan program for arterial projects in the Valley Major Street Program, as indicated in Attachment 3.

Steve Smith

The material in this item was reviewed by the Transportation Technical Advisory Committee on January 5, 2015 and the City/County Manager Ad Hoc committee on December 17, 2014.

Discussion - Council of Governments

7. Revised Combined Notice of Assessment and Payment of Contractual Assessment Required Documents for the HERO Program

That the General Policy Committee recommend the Board approve the revised and newly combined Notice of Assessment and Payment of Contractual Assessment Required documents for the HERO Program.

Duane Baker

This item is not scheduled for review by any other policy committee or technical advisory committee.

8. Amendment to Master Indenture for the HERO Program Second Residential Property Tranche

That the General Policy Committee approve the preparation of and the general provisions of an amendment to the Master Indenture with Deutsche Bank National Trust Company, as Trustee, for San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Second Residential Property Tranche - Phase One) and direct the final authorizing resolution and amendment to the Master Indenture be brought directly to the Board of Directors for action.

Duane Baker

This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG's General Counsel has reviewed this item and the draft resolution.

9. New Master Indenture for the HERO Program Third Residential Property Tranche

That the General Policy Committee take the following actions:

A. Approve the preparation of and the general provisions of a new Master Indenture with Deutsche Bank National Trust Company, as Trustee, for San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Third Residential Property Tranche – Phase One) and direct the final authorizing resolution and Master Indenture be brought directly to the Board of Directors for action; and

B. Recommend the Board delegate authority to approve additional Master Indentures and to order the closure of such Master Indentures to the Executive Director, or an Authorized Representative, with the concurrence of SANBAG's Bond Counsel.

Duane Baker

This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG's General Counsel has reviewed this item and the resolution.

10. State and Federal Legislative Update

Receive and file the report.

Wendy Strack

This item is not scheduled for review by any other policy committee or technical advisory committee.

11. Public Affairs Update

Receive and file the report.

Tim Watkins

This item is not scheduled for review by any other policy committee or technical advisory committee.

Comments from Board Members

Public Comment

ADJOURN TO

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6

Agency Designated Representative: RAYMOND WOLFE

Regarding: Unrepresented Employees of SANBAG

ADJOURNMENT

Additional Information

Attendance

SANBAG Entities

Meeting Procedures and Rules of Conduct

General Practices for Conducting Meetings

Acronym List

Mission Statement

Complete packages of the SANBAG agenda are available for public review at the SANBAG Offices and our website: www.sanbag.ca.gov.

Staff reports for items may be made available upon request. For additional information call (909) 884-8276.

- San Bernardino County Transportation Commission •San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency •Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 1

Date: February 11, 2015

Subject:
 Information Relative to Possible Conflict of Interest

Recommendation:
 Note agenda items and contractors/subcontractors, which may require member abstentions due to possible conflicts of interest.

Background:
 In accordance with California Government Code 84308, members of the SANBAG Board may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve months from an entity or individual, except for the initial award of a competitively bid public works contract. This agenda contains recommendations for action relative to the following contractors:

Item No.	Contract No.	Principals & Agents	Subcontractors
NONE		NONE	

Financial Impact:
 This item has no direct impact on the SANBAG budget.

Reviewed By:
 This item is prepared monthly for review by SANBAG Board and Committee members.

Responsible Staff:
 Duane Baker, Director of Management Services

Approved
 General Policy Committee
 Date: February 11, 2015
 Witnessed By:

Entity: CMA, COG, CTA, CTC, SAFE



Minute Action

AGENDA ITEM: 2

Date: *February 11, 2015*

Subject:

Measure I Revenue

Recommendation:

Receive report on Measure I receipts for Measure I 2010-2040.

Background:

Sales tax revenue collections for Measure I 2010 through 2040 began on April 1, 2010. Cumulative total receipts for Fiscal Year 2014/2015 as of December 31, 2014 were \$75,260,723.

Included is a summary of the current Measure I receipts by quarter and cumulative total since its inception. The quarterly receipts represent sales tax collection from the previous quarter taxable sales. For example, receipts for October through December represent sales tax collections from July through September.

Measure I revenue for the 2014/2015 Fiscal Year budget was estimated to be \$141,960,000. Actual Measure I receipts for Fiscal Year 2014/2015 October through December are \$38,007,716, in comparison to \$35,403,641 received during the quarter ending December 2013/2014, with an increase of 7.36%.

Financial Impact:

Measure I revenues are expected to exceed both the budgeted amount and prior years' collections.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Hilda Flores, Chief of Accounting and Procurement

Approved
 General Policy Committee
 Date: February 11, 2015

Witnessed By:

Entity: CMA, CTA, CTC

ATTACHMENT A

Summary of SANBAG Measure I Receipts 2010-2040						
Fiscal Year	July-September	October-December	January-March	April- June	Fiscal Year Total	Cumulative Total To Date
Receipts Prior to FY 2010/11						\$7,158,800
Fiscal Year 2010/11	28,188,907	29,207,950	28,808,766	29,397,456	115,603,079	\$122,761,879
Fiscal Year 2011/12	31,027,319	33,547,956	32,757,419	33,476,051	130,808,745	\$253,570,624
Fiscal Year 2012/13	34,279,449	35,076,980	34,336,570	34,309,171	138,002,171	\$391,572,794
Fiscal Year 2013/14	35,430,012	35,403,641	36,843,452	35,789,045	143,466,150	\$535,038,944
Fiscal Year 2014/15	37,253,007	38,007,716			75,260,723	\$610,299,667
% Increase Over 13/14	5.15%	7.36%				

Attachment: GPC1501b1-wws (1554 : Measure I Revenue)

Minute Action

AGENDA ITEM: 3

Date: *February 11, 2015*

Subject:

December 2014/January 2015 Procurement Report

Recommendation:

Receive the December 2014 and January 2015 Procurement Report.

Background:

The Board of Directors adopted the Contracting and Procurement Policy (Policy No. 11000) on January 3, 1997, and approved the last revision on March 12, 2014. On February 6, 2013, the Board of Directors authorized the Executive Director, or designee, to approve: a) contracts and purchase orders up to \$100,000 and for purchase orders originally \$100,000 or more, increasing the purchase order amount up to 10% of the original purchase order value, not to exceed \$25,000; b) amendments with a zero dollar value; c) amendments to exercise the option term if the option term was approved by the Board of Directors in the original contract; and d) amendments that cumulatively do not exceed 50% of the original contract value or \$100,000, whichever is less and to release Request for Proposal (RFP), Request for Quote (RFQ) and Invitation for Bid (IFB) for proposed contracts from which funding has been approved in San Bernardino Associated Governments (SANBAG's) Annual Budget, and which are estimated not-to-exceed \$1,000,000. SANBAG staff has compiled this report that summarizes all contract actions approved by the Executive Director, or designee. On July 11, 2012, the Board of Directors authorized SANBAG's General Counsel to award and execute legal services contracts up to \$50,000 with outside counsel as needed on behalf of SANBAG and its authorities organized under the umbrella of the Council of Governments. A list of all Contracts and Purchase Orders that were executed by the Executive Director and/or General Counsel during the months of December 2014 and January 2015 is presented herein as Attachment A, and all RFPs and IFBs are presented in Attachment B.

Financial Impact:

This item imposes no impact on the Fiscal Year 2014/2015 budget. Presentation of the monthly procurement report demonstrates compliance with the Contracting and Procurement Policy (Policy No. 11000).

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Hilda Flores, Chief of Accounting and Procurement

Approved
 General Policy Committee
 Date: February 11, 2015

Witnessed By:

Entity: CMA, COG, CTA, CTC, SAFE

Attachment A

December/January Contract Actions

New Contracts Executed:

Contract No.	Description of Specific Services	Vendor Name	Dollar Amount	Description of Overall Program
15-1001142	Funding Agreement for MARTA Radio System Assessment – Phase 1	MARTA	\$13,774.98	SANBAG will provide project management and oversight to MARTA's Radio System Assessment for Phase 1. MARTA will reimburse all costs to SANBAG.
15-1001180	Payroll Services	County of San Bernardino	\$100,000.00	SANBAG uses the County to process payroll which allows SANBAG to have the same insurance and retirement benefits as the County at a reduced cost compared to outside the County.

Attachment: BRD1502a1-wws (1596 : Procurement Report)

Attachment A

December/January Contract Amendment Actions

Contract Amendments Executed:

Contract No. & Amendment No.	Reason for Amendment (include a description of the amendment)	Vendor Name	Previous Amendments & Dollar Values	Dollar Amount of Amendment	Amended Contract Total
C08002 Amendment 4	To extend contract expiration date to continue providing engineering support through Caltrans acceptance of As-Builts. Project: Engineering Support Services during Construction of I-10 Westbound Lane Addition	CH2M Hill	Original: \$2,767,219.45 Amendment 1: \$0.00 Amendment 2: \$0.00 Amendment 3: \$0.00	\$0.00	\$2,767,219.45

Attachment: BRD1502a1-wws (1596 : Procurement Report)

Attachment A

December/January Contract Task Order Actions

Contract Task Order (CTO) Executed:

Contract No. & CTO No.	Description of CTO	Vendor Name	Contract Amount	Previously Issued CTOs	Dollar Amount of CTO
C12033 CTO 43	Determine the correction needed for faulty Master controller due to a widening project to maintain traffic signalization.	Albert Grover & Associates	\$1,000,000.00	CTO 1 through 38 \$458,418.00 CTO 42 \$19,480.00	CTO: \$21,570.00
C14134 CTO 1	Staff Accountant Temporary Employee to assist in the Finance Department. CTO has been closed and replaced with CTO 2 with AppleOne.	JM Staffing	\$1,000,000.00 share with AppleOne C14185 and Material & Contract Services C14184	None	Original CTO: \$32,025.60 Total Expensed \$1,334.40, CTO is now closed.
C14185 CTO 2	Staff Accountant Temporary Employee to assist in the Finance Department	AppleOne	\$1,000,000.00 share with JM Staffing C14134 and Material & Contract Services C14184	None	CTO: \$32,000.00

Attachment: BRD1502a1-wws (1596 : Procurement Report)

Attachment A

December/January Purchase Order Actions

Purchase Orders:

PO No.	PO Issue Date	Vendor Name	Description of Services	PO Dollar Amount
4001255	12/17/2014	Mobility 21 Transportation Coalition	Annual partner membership dues.	\$20,000.00
4001256	12/17/2014	Hinderliter, De Llamas & Assoc	Annual sales tax analysis for Fiscal Year 2014/2015	\$9,600.00
4001259	12/19/2014	City of Barstow	Reimburse City of Barstow for cost of pole relocation for the Lenwood Grade Separation Project.	\$40,139.88
4001260	12/23/14	San Bernardino County Employees' Retirement Association	Unfunded actuarial accrued liability payment alternatives.	\$15,000.00
4001262	12/23/14	Tyler Technologies Inc.	Maintenance support for EDEN financial system for calendar year 2015.	\$38,490.10
Total				\$123,229.98

Attachment: BRD1502a1-wws (1596 : Procurement Report)

Attachment A

December/January Purchase Order Amendment Actions

Purchase Order Amendments Executed:

Purchase Order No. & Amendment No.	Description of Services and Reason for Amendment	Vendor Name	Previous Amendments & Dollar Values	Dollar Amount of Amendment	Amended PO Total
4001243 / Amendment #1	Professional services for CMAQ annual report and TMC project review.	Gorski, Raymond	\$4,375.00	\$1,875.00	\$6,250.00

Attachment: BRD1502a1-wws (1596 : Procurement Report)

Attachment B

December/January RFPs and IFBs

Release of RFP's and IFB's

Release Date	RFP/IFB No.	Description of Services	Anticipated Dollar Amount	Anticipated Award Date	Description of Overall Program and Program Budget
1/5/15	RFP15-1001144	Freeway Service Patrol for Beats 3 & 8	\$903,000 per contract	April 1, 2015	Freeway Service Patrol assists motorists with their disabled vehicles during peak periods of congestion.
				Total	\$903,000



•San Bernardino County Transportation Commission •San Bernardino County Transportation Authority
 •San Bernardino County Congestion Management Agency •Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 4

Date: *February 11, 2015*

Subject:

Presentation on Sales Tax Revenue Trends

Recommendation:

Receive and file the presentation.

Background:

SANBAG has contracted with the HdL Companies to monitor sales tax activity and trends that have an effect on Measure I. SANBAG receives quarterly reports to help us with our revenue forecasting and to develop revenue numbers for our annual budget preparation. The HdL Companies also perform sales tax auditing services for SANBAG to identify and correct any distribution errors so that SANBAG is fully credited what it is due. This is an opportunity for the General Policy Committee to receive a briefing on this subject from SANBAG's consultant.

Financial Impact:

This item is consistent with the adopted SANBAG budget.

Reviewed By:

This item has not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Duane Baker, Director of Management Services

Approved
 General Policy Committee
 Date: February 11, 2015

Witnessed By:

Entity: CTA

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- San Bernardino County Transportation Commission •San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency •Service Authority for Freeway Emergencies
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Minute Action

AGENDA ITEM: 5

Date: February 11, 2015

Subject:

Fiscal Year 2014/2015 Work Goals and Objectives Second Quarter Report

Recommendation:

Receive update on the Fiscal Year 2014/2015 Work Goals and Objectives

Background:

The SANBAG Fiscal Year 2014/2015 Work Goals and Objectives establish the Board of Directors' priorities for the year. The Executive Director uses this as a tool with the Executive Management Team to evaluate SANBAG's progress in achieving the Board's priorities. This report is a quarterly update on those work goals and objectives.

Financial Impact:

This item is consistent with the adopted Fiscal Year 2014/2015 budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Ray Wolfe, Executive Director

Approved
General Policy Committee
Date: February 11, 2015

Witnessed By:

Entity: CMA, COG, CTA, CTC, SAFE

SAN BERNARDINO ASSOCIATED GOVERNMENTS
 FISCAL YEAR 2014/2015 INITIATIVES AND ACTION PLAN
 QUARTER 2 REPORT

Initiative #1: Transparent and Accountable Allocation Strategies					
1A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Implement electronic and financial records management system	Piggyback on Riverside County Superior Court ECS contract for Laserfiche program. Develop configuration and determine scope of agreement for the following: 1. Electronic procurement storage system. 2. Electronic purchase order requisitions. 3. Electronic purchase order approvals.	Execute agreement with ECS – Q2	Approved at September 3, 2014 Board meeting.	Finance
			Install and implement Laserfiche program – Q2	Software installed October 2014.	Finance
			Determine electronic storage of procurement files – Q3	Currently in the process.	Finance
			Test electronic purchase order process - Q4		Finance
			Finalize agency-wide electronic purchase order process - Q4		Finance
Notes					
Future expansion will include the following: 1) Accounts Payable; 2) Accounts receivable; 3) Budget transfers; 4) Journal entries; 5) Mail sorting; and 6) Filing					

- 1** Yellow shading means the work is behind schedule
 Red text signifies urgent and significant challenges in completing the task

1B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Provide a comprehensive study and overview of key functions of the procurement and contract process for effectiveness and consistency.	Consultant evaluating current and proposed processes performed by project managers, contract administration, finance and other staff in the following areas: 1. IFB projects 2. A&E RFP projects 3. RFP projects 4. Contract management	Consultant provides possible changes and recommendations relating to: 1. Responsible parties 2. Processes 3. Staffing – Q1	Management Services conducted analysis in conjunction with the compensation/benefit study. Staff provided number of hours needed to implement tasks identified in flow chart of procurement/contract function. New structure was approved which included a Procurement Manager and two Procurement Analysts.	Finance
			Implement proposed changes and recommendations – Q3	Procurement Manager and two Procurement Analyst positions have been filled by Q2.	Finance
Notes					
1C	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Manage local, state and federal transit funds in accordance with SANBAG Board priorities	Develop a Short Range Transit Plan (SRTP) to ensure cost projections do not exceed revenues for Valley Apportionment as well as Mountain/Desert	CTO awarded to on-call consultant in FY13-14 Q4. Final SRTP will be completed by end of FY14-15 Q4.	Draft SRTP is being reviewed – Public meetings conducted end of Jan 2015	Transit/Rail (Fund Admin.)

2 | Yellow shading means the effort is lagging the committed time schedule
 Red shading signifies serious impediments to progress that could translate to failure in completing the task

Notes					
1D	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Deliver the highest quality and most cost effective rail & transit projects and service possible in San Bernardino County	Study the efficiency of all seven transit operators and explore consolidation of various functions to provide greater efficiencies and more coordinated service and project delivery	CTO issued to on-call consultant in FY13-14 Q3. Project completion expected FY14-15 Q4.	Existing conditions, transit workshops, and surveys have been completed. Study is on schedule for completion in Q4.	Fund Admin
		Thru the County-wide Transit Efficiency Study, evaluate the expansion of the Victor Valley Vanpool program county-wide	CTO issued to on-call consultant in FY13-14 Q3. Project completion expected FY14-15 Q4.	Vanpool program development and implementation approved Nov Board 2014	Transit/Rail (Fund Admin)
Notes					

3 Yellow shading means the effort is lagging the committed time schedule
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1E	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Complete timely audits of all TDA recipients	Manage audit consultant to ensure completion of all seven audits	Meet with Operators and Auditors in FY14-15 Q1 to develop a time table and action plan for milestones	VTD (auditor) met with Operators to establish schedule. Finance met with VTD in September 2014 to confirm plan and time table. Finance will meet with VTD (teleconference) every two weeks.	Finance (Fund Admin)
		Educate transit operators on expectations for audits	Work closely with Operators and Auditors in FY14-15 Q1 to ensure work begins quickly after the end of fiscal year	Sent letters to each Operator detailing expectations for FY 2014-2015 in September 2014.	Finance (Fund Admin)
		Provide update of audits to Board and local Transit Boards	Provide assistance and direction quickly on critical issues. Due end of Q2 annually	Review of FY 2012-2013 audits for MARTA, MBTA, Vtrans and VVTA submitted to Board on March 5, 2014. FY 2012-2013 audit for Omnitrans and BART submitted to Board on July 2, 2014. FY 2011-2012 audit for NAT submitted to Board on December 3, 2014. NAT 2012-2013 audit not yet completed.	Finance (Fund Admin)
Notes					

4 Yellow shading means the effort is lagging the committed time schedule
 Red shading signifies serious impediments to progress that could translate to failure in completing the task

1F	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Manage geographic equity in fund distribution across the County	Define equity, create tracking database, run through committee and Board, and post on external (Board) website	Develop policies to define geographic areas to be tracked and “equity” by fund source – Q1	Consensus reached on proposed policy at October TAC meetings. Approved by Board at February 2015 meeting.	Fund Administration (Planning)
			Compile data that will allow for funds to be tracked per policy – Q2	Data tracking method has been developed. Will be updated as necessary per adopted policy.	Fund Administration (Planning)
			Present findings to Committees/Board and provide link to real-time “dashboard” on external Board website – Q3		Fund Administration (Planning)
Notes					
1G	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Use strategic programming to ensure that no funds are lost	Manage projects closely with Caltrans to ensure adequate review resources are available when projects are ready	May 1 is Caltrans’ deadline for guaranteed access to federal OA	SANBAG entered into CMAQ loan agreement with SACOG to protect against future loss of funds and has offered loans to local jurisdictions. Other opportunities with other agencies will also be pursued.	Fund Admin. (Major Projects; Transit/Rail)

5 Yellow shading means the effort is lagging the committed time schedule
 Red shading signifies serious impediments to progress that could translate to failure in completing the task

			June 30 is CTC deadline for project allocation or extension requests	Projects programmed in FY2014/2015 are on schedule to be allocated by June 30.	Fund Admin. (Major Projects)
Notes					
To accumulate the CMAQ needed for Redlands Rail and I-10 Improvements, SANBAG may need to seek a loan agreement in FY14/15 with another agency to avoid an interim lapse in funding.					
1H	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Protect San Bernardino County's equitable share of available state and federal funds	Develop funding strategies that result in opportunities to seize additional state and federal funds	Use more than 100% federal OA each fiscal year to be candidate for additional OA through August redistribution – Q4	San Bernardino County received \$367,000 in additional OA at the close of federal fiscal year 2013/2014. As noted below, OA loan agreements, which are relatively uncommon, would be required to achieve additional OA for federal fiscal year 2014/2015; however, staff does not expect this to result in a loss of funds.	Fund Admin. (Major Projects; Transit/Rail)

6 Yellow shading means the effort is lagging the committed time schedule
 Red shading signifies serious impediments to progress that could translate to failure in completing the task

	Promote policies to garner more state and federal funding	Ongoing as issues arise	FY 2014/15 State Budget deal included new allocations for transportation and FY 2015-16 Governor's budget proposal proposes new revenues and expanded tolling authority.* VMT Pilot Program approved in SB 1077 **	Fund Admin. (Legislative Affairs)	
Notes					
<p>Achievement of 100% OA delivery in FY14/15 will likely require an OA loan agreement with another agency.</p> <p>* As part of the FY 2014/15 State Budget deal, transit capital and operations received \$100 million directly from Cap and Trade program revenues. Other transportation projects and programs are eligible expenditures in two other Cap and Trade funding programs totaling \$330 million, not including high speed rail allocations. In future years, 15% of ongoing revenues are allocated to transit and 10% for sustainable communities projects, with 40% of remaining revenues still unprogrammed and potentially available.</p> <p>In January 2015, the Governor released his FY 2015/16 Budget proposal, which calls for new revenues to fund deferred maintenance needs and freight movement projects. He also proposes expanded express lane authority through a process overseen by the California Transportation Commission and continues the FY 2014/15 adopted allocations from Cap and Trade.</p> <p>** First meeting of the Road User Charge Advisory Committee is scheduled for January 23, 2015 in Sacramento. Process and schedule to be discussed at that meeting, with additional details to follow.</p>					
II	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Implement 2014 sales tax revenue bond program	Ensure project funding plans maximize use of 2014 bond proceeds	Expenditure of 1/2 of bond proceeds by Q4	Approximately 19% of bond proceeds have been expended through December.	Fund Admin. (Finance, Major Projects, Transit/Rail)

7 Yellow shading means the effort is lagging the committed time schedule
 Red shading signifies serious impediments to progress that could translate to failure in completing the task

Notes					
Timely expenditure of bond proceeds will be evaluated in future bond sales.					
Initiative # 2: Engender Public Trust					
2A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Secure an unmodified opinion of annual financial statements	Initial meeting with Audit Subcommittee and independent auditor in June. Preliminary audit work completed in July. Audit field work is scheduled to be finished by November. CAFR, Single Audit and other reports be submitted to Audit Subcommittee and General Policy Committee in December and to the Board in January 2015.	Due Q4 annually	Met with Audit Subcommittee and completed preliminary audit work in 1 st quarter. Submitted CAFR, Single Audit and other reports to Audit Sub-Committee in December 2014. Received an unmodified opinion with no findings in the Single Audit.	Finance
	Notes				
2B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Obtain Certificate of Achievement for Excellence in Financial Reporting	Submit CAFR and application to GFOA in December 2014 for award program	Due Q2 annually	Submitted CAFR to GFOA in December 2014.	Finance

8 | Yellow shading means the effort is lagging the committed time schedule
 Red shading signifies serious impediments to progress that could translate to failure in completing the task

Notes					
2C	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Update SANBAG Budget document	Identify long-term structural improvements to EDEN financial accounting software and changes to budget document –Q2		Issued PO to Tyler for \$3,500 to begin accounting structure changes. Identified new expenditure and revenue strings. New structure will provide roll-up capabilities for major projects and other programs and will provide break-down of general government administrative support which was identified by the Budget Sub-committee and Board members. The plan is to utilize the new structure in the 2015-2016 Budget. There will be no history detail comparisons for the first year implementation due to the structure changes.	Finance
	Notes				

9 Yellow shading means the effort is lagging the committed time schedule
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Attachment: Fiscal Year 2014-15 work goals_Q2 report (1621 : Fiscal Year 2014-2015 Work Goals &

2D	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Obtain Distinguished Budget Presentation Award		Submit Annual Budget and application to GFOA in July 5 for award program – Q1		Finance
	Notes				
2E	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Provide safe public transit facilities	Evaluate security and study possible consolidation of security services at Metrolink stations and for future DSBPRP/ RPRP.	CTO to be issued by FY14-15 Q4	Working on Statement of Work, CTO to be issued by Q3 of FY14/15	Transit/Rail
	Notes				
2F	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Manage geographic equity in fund distribution across the County	Develop refined project priorities through 2025 for Mountain/Desert subareas for input into 2016 update to the Ten-Year Delivery Plan.	Hold subarea meetings to identify project priorities – Q3	North Desert Subarea met in October. Victor Valley Subarea met in September and is meeting again in January. A transportation study is being finalized for the Morongo Basin Subarea that will inform decisions regarding project priorities. Mountains Subarea is initiating a similar study in Q3.	Fund Admin. (Planning)

10

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			Analyze Measure and State/Federal cash flows available to support project priorities – Q3	Expected approval of the Fund Equity Policy by the Board in February 2015 will provide valuable revenue forecasts for this effort in Q3.	Fund Admin. (Finance)
			Identify financially constrained prioritized project lists for 2016 update to the Ten-Year Delivery Plan – Q4		Fund Admin.
	Notes				
2G	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Administer Transportation Development Act (TDA) funds in an efficient and transparent manner	Coordinate with on-call consultant to prepare an update of the SANBAG TDA Manual and for development of a TDA database for tracking allocations and disbursements	Complete update of TDA Manual – Q3	Responsibility for RFP shifted to Fund Admin in September. RFP will be released in February. Schedule will likely be delayed.	Fund Admin.
			Develop database for internal tracking of TDA allocations and disbursements – Q4	Implementation method of the database will be determined pending results of the Manual Update RFP.	Fund Admin.
			Develop electronic submittal method for TDA claimants – Q4		Fund Admin.

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Notes					
Initiative # 3: Focus on Creating and Strengthening Collaborative Partnerships with Governmental and Business Entities					
3A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Continue regional forums to discuss issues of regional interest throughout the County	Actively seek to develop programs on regional issues, coordinate meetings with key stakeholders including legislators.	Conduct forums in each of the subregions – ongoing as issues arise.	West Valley Subarea forum held October 29	Legislative/Public Affairs; COG
Notes					
<p>West Valley Forum held in partnership with the San Gabriel Valley Council of Governments and covered issues of interest to both subregions including public safety, express lanes, and transit access to Ontario Airport. Similar events with the Western Riverside Council of Governments (WRCOG) and the Coachella Valley Association of Governments are being considered. WRCOG forum planning efforts have begun and the event is anticipated to be held during the first half of 2015, hope to announce more specifics in February 2015.</p> <p>Have opportunity to co-host and plan an East Valley forum on Veterans Employment Issues with IEEP, County Workforce Development, Vet Voice Foundation and other stakeholders. Event be planned for first half of 2015.</p> <p>Mountain/Desert Forum targeted for summer 2015.</p>					
3B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Coordinate regional input to the 2016 Air Quality Management Plan	Work with stakeholders in San Bernardino and Riverside County on reviewing technical work that will serve as the basis of the AQMP.	Hold meeting with stakeholders to identify common areas of interest and strategies to review and influence the AQMP.	In addition to influencing the AQMP itself, strategies are being developed to raise awareness in DC. *	COG (Legislative/Public Affairs; Planning)

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		Leverage the similarities of the region in drafting responses and providing input into the drafting of the AQMP.	Review technical “white papers” being prepared by AQMD and coordinate regional comments.	SANBAG staff covering four AQMP white paper review groups: Freight, Passenger Transport, Business Case, & Off-road equipment.	Planning
		Provide opportunities to educate policymakers on the issues, options and implications being considered for the AQMP.	Hold special workshop on policy issues anticipated in the AQMP to give Board Members clear understanding of implications and provide opportunities for them to give direction.	Agreement with IEEP to host a forum on the AQMP after completion of “white papers”.	COG (Legislative/Public Affairs; Planning)
			Participate in technical committees responsible for reviewing AQMP	Participating on AQMP Advisory Group.	Planning
			Provide formal comments and testimony on AQMP	As the need arises.	Planning
Notes					
* Working with regional partners to develop a collective advocacy position to raise awareness of the region’s inability to meet pending 2023 ozone standards.					
3C	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Enhance COG role	Actively work to implement and further the Countywide Vision	Host a “Cradle to Career” Education forum and engage non-school stakeholders – Q4 Coordinate the Jobs/Economy Element group and publish and distribute a Business Friendly Best Practices Inventory – Q1	Will work with newly elected Supt. of Schools to host in 2015 Complete. Now moving on to getting best practices implemented.	COG COG

13

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				Joint meeting with City Managers and development representatives took place November 2014 to push for wider implementation. Gave update to the Board January 2015 and now BIA has begun outreach to select cities to have one on one discussions about best practices implementation on both the city and the developer side.		
				Develop a measurement tool that can be used to measure progress toward “business friendliness” – Q2	Looking to complete by Q4	COG
				Keep Board informed on a regular basis of Council of Government and Vision activities	Items scheduled each month at Board meeting.	COG
Notes						

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3D	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Environmental Stewardship	Provide leadership and assistance to our members in implementing clean energy and conservation projects to reduce utility bills and greenhouse gas emissions.	Implement a Joint Solar Power Procurement with interested government agencies to install solar PV systems – Q1	Complete. Not enough participants for joint procurement. Individual cities have contracted separately with SANBAG’s consultant to continue their own efforts.	COG
			Launch and market the commercial HERO program to conservation specialists, building officials, and community/economic development officials throughout the County – Q1	Commercial program has been launched and has funded two projects. Informational meetings held with City Manager’s TAC and being meetings are scheduled with local Chambers of Commerce on an ongoing basis.	COG
			Apply for grant funding to implement public EV charging networks in the region – Q2	In progress.	COG
			Establish an Energy Leader partnership with SCE to provide incentives to local governments for energy conservation efforts – Q2	Application submitted. Awaiting approval from CPUC. Still awaiting CPUC action. Have sent staff to neighboring COGs to gain information on how they administer their programs in anticipation of our ultimate CPUC approval. Delivery date revised to Q4.	COG

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Notes					
3E	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Identify development opportunities in the vicinity of existing and planned rail and transit stations	Continue constraints analysis and development feasibility study at the Upland Metrolink station	Complete study - Q3		Transit/Rail (Planning)
		Initiate development of a Programmatic EIR/EIS with the cities of San Bernardino and Redlands for TOD improvements around proposed stations on the Redlands Passenger Line. The completion of the Redlands Passenger Rail Project is not dependent on this effort.	Award CTO to an on-call consultant and enter into agreements with cities - Q2	CTO scope to be finalized after award of RPRP Final Design Consultant to ensure coordination. CTO issued estimated for Q4 FY14/15.	Transit/Rail (Planning)
Notes					

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Initiative # 4: Accelerate Delivery of Capital Projects					
4A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Effectively advocate to maintain or grow historic funding levels provided by state and federal governments	Work with regional and statewide entities to ensure that funding structures and policies are in place that are consistent with SANBAG's goals and priorities	Map-21 Reauthorization or Extension – Q4	MAP-21 was extended at existing funding levels through May 2015	Legislative/Public Affairs (Fund Admin.; Planning)
			State Budget and Funding options – Q1 Passage of state legislation to take effect in 2015 – Q2	State Budget approved reflected SANBAG priorities and potential new funding for projects. Governor's January 2015 budget proposal also called for new revenues and expanded project delivery authorities. End of Year report on legislation taking effect in 2015 went to General Policy Committee in November and to the full Board in December.	Legislative/Public Affairs
		Advocate for legislation that protects and grows state and federal funds	Evaluate results of prior year advocacy efforts – Q2	New State Advocacy Contract approved by the Board of Directors in October. RFP and revised scope of work for the Federal Advocacy contract approved by the Board in January 2015.	Legislative/Public Affairs

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			Develop platform for next fiscal year – Q2	Final 2015-2016 state and federal platforms approved by the Board in November.	Legislative/Public Affairs
	Notes				
4B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Promote expanded alternative project delivery mechanisms and project streamlining	Work with statewide and regional partners on streamlining and expanded/extended authorities for project delivery.	P3 state authority expires 2017	Working with stakeholders on statewide tolling authority as well as preparing SANBAG specific authority to be considered by the Legislature in 2015.*	Legislative/Public Affairs
			MAP-21 reauthorization – Q4		
Notes					
* Bill introduction deadline is February 27. Bills passed in 2015 take effect January 1, 2016.					

18

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Attachment: Fiscal Year 2014-15 work goals_Q2 report (1621 : Fiscal Year 2014-2015 Work Goals &

4C	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Achieve: Project Study Report (PSR) Milestones	SR-60 Central Ave Interchange (PSR)	PSR/PA&ED start March 2015 – Estimated duration to complete: 12 months	Consultant selected. Audit of consultant in progress. On schedule.	Major Projects
		SR-60 Archibald Interchange (PSR)	PSR/PA&ED start November 2014 – Estimated duration to complete: 18 months	Consultant selected. Project delayed due to the City wanting to reach consensus with Caltrans on the landscape maintenance requirements. Also, delayed so consultants had an opportunity to submit on this and the Central Ave. project. Contract scheduled to be awarded in March 2015.	Major Projects
		I-10 Mt. Vernon Ave. Interchange (PSR)	PSR start November 2014- Estimated duration to complete: 18 months	The complexity of the interchange improvements has required more extensive studies than originally anticipated for the development of a feasible concept to be included in the MOU that allows the project to proceed. At this time a new start date has not been determined. Executive Director has elevated concerns to Interim City Manager.	Major Projects

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	I-10 University Street Interchange (PSR)	PSR/PA&ED start January 2015 – Estimated duration to complete: 18 months	Contract awarded in Dec. 2014. On schedule.	Major Projects	
	I-10 Eastbound Truck Climb/Live Oak/County Line (PSR)	PSR start December 2014 – Estimated duration to complete: 12 months	Discussions/negotiations with RCTC and Caltrans have taken longer than anticipated. Staff recommends that Caltrans prepare the document as it will reduce the overall cost of this phase. Revised PSR start date, July 2015.	Major Projects	
	Notes				
4D	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Achieve: Project Approval and Environmental Document (PAED) Milestones	I-15 Corridor Improvement (PAED)	PAED Start October 2014 – Estimated duration: 3 years	PA/ED contract awarded at October Board meeting. NTP given on 10/15/14. On schedule.	Major Projects
		I-215 University Parkway/State Street Interchange (PAED)	PAED Start January 2015- Estimated duration: 2 years	A new alternative that provides congestion relieve and is more cost effective has been developed and studies being finalized. While start of the PA/ED has been delayed, the completion is on target since the required	Major Projects

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				document for the new alternative is of a lower level.	
	SR-210 Lane Addition (PAED)		PAED Finish October 2015	On target for June 2015	Major Projects
	I-10 Pepper Avenue Interchange (PAED)		PAED Finish August 2014	New requirements for Native American consultation have delayed PA/ED to March 2015. Project is being concurrently designed to allow construction to proceed on schedule.	Major Projects
Notes					
4E	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Achieve Construction Milestones	I-15 Baseline Road Interchange	Start Construction September 2014	Construction Contract Awarded June 2014. Actual construction started October 2014. Delayed due to incomplete submittals from the contractor.	Major Projects

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	I-215 Construction Landscape Segment 3	Start Construction January 2015	Obligation of federal funds has been delayed. Issues have been resolved with obligation anticipated in March allowing contract to be awarded in June 2015.	Major Projects
	SR-210 Landscaping Segment 11	Construction Complete August 2014	Construction complete in July, 2014. Currently in 1 year plant establishment.	Major Projects
	I-15 Ranchero Road Interchange	Construction Complete October 2014	Construction delayed due to fire. Scheduled open to traffic, Feb. 2015.	Major Projects
	I-10 Cherry Ave Interchange	Construction Complete November 2014	On target	Major Projects
	Hunts Lane Grade Separation	Construction Complete October 2014	Opened to traffic on 10/30/14.	Major Projects
Notes				
<p>*Attempting to capture savings of federal funds from I-215 north project and utilize on this landscaping project in the same vicinity. This requires deobligation and obligation which are time consuming activities through Caltrans and FHWA.</p>				

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4F	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Deliver all transit and rail project commitments listed in the FY 14/15 budget	Continue construction on Downtown San Bernardino Passenger Rail Project	Construction activities to commence prior to Q1	Project under construction. Estimated completion in Q2 of FY16/17.	Transit/Rail
		Complete construction of San Bernardino Transit Center	Completion expected - Q4	Project under construction. Estimated completion in Q2 of FY14/15.	Transit/Rail
		Initiate final design of the Redlands Passenger Rail Project	Advertise and award a contract for final design - Q3	RFP for Final Design and Program Management Services to be released in Q3 of FY14/15.	Transit/Rail
		Initiate preliminary design of improvements on the San Gabriel Subdivision	Award a Contract Task Order (CTO) to one of the on-call consultants - Q2	Award of CTO anticipated in Q4 of FY14/15.	Transit/Rail
		FTA Grantees	Work with SANBAG departments to comply with FTA guidelines to submit to FTA - Q4	Determination made not to pursue FTA Direct Grantee in Q2 of Fy14/15.	Transit/Rail (All)
Notes					

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Initiative # 5: Maximize Funding Opportunities and Cost-Effectiveness of Investments					
5A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Ensure SANBAG's freight needs are recognized	Promote the inclusion of regional corridors in goods movement policies and plans Support funding for freight priorities	Primary Freight Network - Ongoing	Provided comments on draft CFMP and project list in Q1.	Planning
			Map-21 Reauthorization: Freight Title – Q2	Submitted comments on the draft California Freight Mobility Plan, being done in response to Map-21.	Planning
	Notes				
5B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Conduct complete review of Valley Freeway Interchange Program, including phasing and priorities	Prepare interchange program analysis and options for consideration by SANBAG Board	Prepare Interchange Program Options Paper - Q1	Prepared Interchange Issues and Options Paper and Reviewed the City Manager Ad Hoc in July 2014.	Planning (Major Projects; Fund Admin.)
			Prepare updated interchange phasing and priority list - Q3	Estimated costs and benefits of individual phases.	Planning (Major Projects; Fund Admin.)
	Notes				

24

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Initiative # 6: Develop Marketing Strategies					
6A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Build awareness of SANBAG programs and services	Identify key local and regional projects to highlight Measure I's contributions to the transportation system	Create communications opportunities including station displays, media outreach, local and regional publications, signage, and materials	Information about SANBAG's programs and services included in regional publications, media, signage, and on social media.	Legislative/Public Affairs (COG)
			Expand social media, outreach, media and communications opportunities	Twitter followers have grown from 700 in FY 2013/14 to more than 1,300 in the current year.	Legislative/Public Affairs
			Enhance public engagement and information sharing	Ongoing	Legislative/Public Affairs
			Leverage and grow social media opportunities	Ongoing	Legislative/Public Affairs
Notes					
SANBAG works regularly with regional partners and advocacy groups to include information about our projects, programs, and services in their publications and materials including Mobility 21, WTS, Self Help Counties Coalition, and Bradco High Desert Report. In addition, SANBAG has secured positive media coverage regarding our projects and programs including Rancho Road Interchange, 215 Bi-County, I-10/Citrus and Cherry Interchanges, Lenwood Road Grade Separation, I-15/Base Line Road Interchange, Rideshare Program, and HERO.					
6B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Highlight transit options to key events across San Bernardino County	Identify events and work with transit providers on the best ways to highlight transit connectivity	As needed in advance of key events	Ongoing	Legislative/Public Affairs; Transit/Rail (COG)
		Create media to educate the public on alternative transportation options to attend events as well as promoting events themselves	Consider participation in the MSRC's Major Event Transportation Program to large events throughout San Bernardino County	Ongoing	Legislative/Public Affairs; Transit/Rail; COG

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Notes					
Working to develop a transit marketing approach for SANBAG to support regional partners in promoting transit use and service.					
Initiative #7: Long Range Strategic Planning					
7A	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Develop Countywide Transportation Plan (CTP) for input to SCAG 2016 RTP/SCS	Work with SCAG and local jurisdictions on 2040 projects and funding levels	Define 2040 projects - Q1	Structured baseline and “aggressive” financial scenarios and began populating with projects, together with locals. Submitted projects to SCAG on Nov. 30.	Planning (All)
			Coordinate financial assumptions with SCAG - Q2	Estimated funding available to 2040 following delivery of projects in 10-year Delivery Plan.	Planning (All)
		Conduct analysis of transportation and land use scenarios	Complete analysis - Q2	Completed 2012 model run and 2040 run on existing network.	Planning (All)
			Develop draft CTP Report - Q3		Planning (All)
Notes					

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7B	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Complete 2015 re-evaluation of the Measure I Expenditure Plan	Provide report to SANBAG Board on comments received and path forward	Report to Board - Q1	Reported to July Board – defer changes to MI Exp. Plan to 2017/18. Documented responses to comments in Board item. Followed up with matrix of policy options for CM Ad Hoc. Will take to committee in Q2.	Planning (All)
Notes					
7C	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Develop a habitat preservation/conservation framework in conjunction with local jurisdictions and Environment Element Group of Vision	Complete habitat preservation/conservation framework and report to TACs and Board	Inventory of existing conservation plans - Q2	Dudek completed inventory task for both existing conservation areas and variety of habitat-related coverages. Prepared draft conservation principles and next steps. Held Env. Elem. Group meeting Dec. 11.	Planning
			Report on preservation/conservation options and recommendations - Q3		Planning

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Notes					
7D	Division Strategy	Action Plan	Milestones	Milestone Status	Responsibility
	Pursue Active Transportation and Sustainability Grant funding in coordination with local jurisdictions	Facilitate applications by SANBAG and local jurisdictions at federal and state level	Develop comprehensive list of grant opportunities - Q1	Compiled inventory of cap-and-trade opportunities. COG investigated grant consultant options.	Planning (Fund Admin.)
			Apply for grants as the opportunities arise	SANBAG will assist on applying for ATP Cycle 2 funding for Riverwalk trail project (City of Victorville) and Santa Ana River Trail project (County of SBD)	Planning (Fund Admin.)
	Notes				

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Minute Action

AGENDA ITEM: 6

Date: *February 11, 2015*

Subject:

Amendments to Measure I Strategic Plan Policies

Recommendation:

That the General Policy Committee recommend the Board approve the following:

A. Amend Strategic Plan Policies 40001/VS-30 and 40013/VVMLH-27 to clarify the applicability of funds to buy down the total project cost or individual shares of project costs. See Attachment 1.

B. Amend item a30 in Strategic Plan Policies 40003/VLS-12, 40012/VVLS-16, and 40016/MDLS-14 by adding the following to each: “or the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.” See Attachment 2.

C. Amend Strategic Plan Policy 40006/VMS-49 by adding the following sentence. “Construction of off-roadway bicycle facilities is an eligible expense if they benefit safety or traffic flow on a Nexus Study roadway and are included in the Nexus Study arterial project list used for development mitigation. The local share for such a bicycle facility shall be the same as the local share for arterials in that jurisdiction.” See Attachment 3.

D. Amend Strategic Plan Policy 40006/VMS-54 to include a development share loan program for arterial projects in the Valley Major Street Program, as indicated in Attachment 3.

Background:

The purpose of this agenda item is to follow up on the action taken by the SANBAG Board on July 2, 2014, in response to the outreach process required for the 2015 Measure I Expenditure Plan review. The SANBAG Board deferred consideration of amendments to the Measure I Expenditure Plan until the 2017-2018 timeframe. The Board also directed staff to “consider recommendations made by commenters on Measure I Strategic Plan and Nexus Study policies and to bring back any recommended changes to the appropriate policy committee(s) following internal and local jurisdiction staff discussion and review.”

The July 2 agenda item included a summary of comments received and is provided for reference as Attachment 4 to this agenda item. In parallel to this effort SANBAG staff has been in discussion with an ad hoc subcommittee of the City/County Managers Technical Advisory Committee (CCMTAC) and with the Transportation Technical Advisory Committee (TTAC) on potential Strategic Plan and Nexus Study policy amendments. Two basic groups of policies have emerged as a result of these discussions:

Entity: CTC

- Policies associated with the Valley Freeway Interchange Program
- Policies associated with a variety of other Valley and Mountain/Desert Measure I programs. Examples include clarification of fund sources that “buy down” total project cost vs. development share vs. SANBAG (public) share of costs.

This agenda item deals only with the second of these two classes of policies. The Valley Freeway Interchange program policies will be addressed over the next several months, consistent with prior direction received from the Board to re-examine Valley interchange priorities in 2015. This will also include consideration of results from SANBAG’s interchange phasing study.

Policies 40001/VS-30 and 40013/VVMLH-27 (Recommendation 1)

The City of Ontario provided suggested Measure I policy modifications as part of their comments on the 2015 Measure I Expenditure Plan review, two of which pertained to Policy 40001 (Attachment 4). The first suggested that railroad contributions “buy down” the local development share because they are private funds, not traditional transportation funds. Staff is recommending that railroad contributions remain as a buy-down of the total cost, as stated in the current policy. The primary reasons for this are:

1. The formula share for railroad contributions is already established by the State of California (5% of eligible costs for federalized projects and 10% of costs for non-federalized projects). Maintaining the buy-down of total cost is believed to be fair because both the jurisdiction and Measure I will benefit in proportion to their contribution.
2. Although railroad funds are private funds, they are not development-based, nor does the lead agency need to secure special federal or state authorization. They are therefore different than other funds given as examples of those that could buy down the local share (e.g. Department of Defense funds).
3. The development share of the cost for rail/highway grade separation projects was discounted in the Nexus Study based on projected increases in train volume. In other words, the future increase in delay at grade crossings was attributed to increases in both vehicle traffic and train traffic. The development share of project costs would have been much higher had this not been done. It is consistent, then, for a significant share of the railroad contribution to be devoted to the public share of costs.
4. Allowing railroad funds to buy down the local share would increase the required contribution of Measure I Major Street funds. For example, a \$4 million railroad contribution to a project would consume an additional \$3.2 million in Measure I Major Street funds for that project, assuming a typical 20% local share. The projects delivered to date would have required \$11 million more in Measure I Major Street funds under this scenario, requiring more diversion of funding from the arterial program.

The City’s second comment was that Southern California Edison Rule 20 funds or other utility funds should buy down the local share. SCE Rule 20 funds are made available to local jurisdictions for purposes of utility undergrounding. Scenarios could be envisioned where utility undergrounding could be packaged as part of a roadway improvement project as the most cost-effective utility solution.

Staff's recommendation is that jurisdictions be able to use SCE Rule 20 funds in flexible ways, including contributions to the local share. Rule 20 funds have not been specifically referenced in Policy 40001, as SANBAG does not need to know if or how a jurisdiction is using Rule 20 funds, in the same way that SANBAG does not need to know whether or how jurisdictions are using internal loans to fund their local share. SCE Rule 20 funds may be used by jurisdictions as part of the toolbox of strategies for funding the local share.

Policies 40003/VLS-12, 40012/VVLS-16, and 40016/MDLS-14 (Recommendation 2)

One of the comments received during the 2015 Measure I Expenditure Plan review was from Mr. Brent Merideth, who requested that increased Measure I funding be dedicated to bicycle facilities. Staff subsequently reviewed Measure I policies pertaining to the eligibility of bicycle projects for construction and maintenance funding.

The "Local Street Projects" section of the Valley and Mountain/Desert Measure I Expenditure Plans states: "Local Street Project funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local streets, major highways, state highway improvements, transit,... and other improvements/programs to maximize use of transportation facilities."

Bicycle lanes, signage, and striping, where warranted, have always been viewed as part of the roadway improvement. However, off-roadway bicycle facilities, such as cycling/walking trails have not been explicitly identified as eligible expenses, but could be interpreted as being allowed under the Measure I Expenditure Plan language under certain conditions. Therefore, staff is recommending an amendment to Policies 40003/VLS-12, 40012/VVLS-16, and 40016/MDLS-14 to clarify eligibility.

The proposed policy change would add the phrase "or the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow" to each of the referenced policies. The logic behind this is that an off-roadway facility, such as the Pacific-Electric Trail, could take cycling activity off nearby roadways, thus providing a safety and operational benefit for both vehicles and cyclists. This policy change would provide the flexibility for jurisdictions to fund both construction and maintenance of these facilities with their Measure I Local Street funds, should they choose to do so. Any such projects would need to be listed in their annually adopted Five Year Plan.

While this policy change does not explicitly increase funding for bicycle facilities, it clarifies that off-roadway facilities are eligible. How the funds are used is at the discretion of local jurisdictions. It should be noted that the State of California's Active Transportation Program (ATP) has dramatically increased funding for non-motorized facilities, and jurisdictions in San Bernardino County have been recipients of substantial funding in the first round of ATP grants.

Policy 40006/VMS-49 (Recommendation 3)

Recommendation 3 grew out of the same comment as for Recommendation 2, pertaining to the eligibility of Measure I funds for bicycle facilities. In this case, the issue is eligibility of off-roadway bicycle facilities under the arterial portion of the Measure I Valley Major Street Program. The recommendation is similar to No. 2, except that maintenance is not considered an eligible expense, per language in the Measure I Expenditure Plan. In addition, the roadway

that benefits from an off-roadway bicycle facility must be on the SANBAG Nexus Study network, the sponsoring jurisdiction must include the bicycle project in the Nexus Study project list, and a development share of costs must be provided by the jurisdiction.

The language to be added to Policy 40006/VMS-49 is: “Construction of off-roadway bicycle facilities is an eligible expense if they benefit safety or traffic flow on a Nexus Study roadway and are included in the Nexus Study arterial project list used for development mitigation. The local share for such a bicycle facility shall be the same as the local share for arterials in that jurisdiction.”

Although the Mountain/Desert Subareas have Measure I Major/Local Highways Programs that could serve as a parallel to the Valley Major Street Program, most of the Mountain/Desert Measure I funds pass through the Local Street programs. Therefore, it did not seem necessary to have a similar policy change for Mountain/Desert Major/Local Highway Programs. Subarea representatives make specific project recommendations in these subareas, and bicycle improvements that benefit eligible highways could be a consideration as the representatives weigh funding decisions year by year.

40006/VMS-54 (Recommendation 4)

The SANBAG Board approved revisions to Measure I Strategic Plan Policy 40005 on December 5, 2012, to allow for a toolbox of options for loans of Measure I dollars to cover a portion of the local share of interchange costs. These changes grew out of a concern that some jurisdictions may not have their development share of project costs available within the timeframe for which interchange project development and construction would occur. The amendments to Policy 40005 were designed to facilitate interchange project delivery.

One of the ideas generated by the City/County Manager Ad Hoc committee was to provide a similar loan opportunity for arterial projects in the Valley Major Street Program. The delivery of arterial projects has not proceeded as rapidly as hoped, and one of the possible explanations is the lack of local jurisdiction development share to match the Measure I share. Recommendation 4 is conceived as a way to provide more flexible funding of the development share, potentially facilitating arterial project delivery.

The amendments to Policy 40006/VMS-54 are structured in much the same manner as the development share loans for interchange projects in Policy 40005. Jurisdictions may borrow up to 2/3 of the development share from either the Local Street “pass-through” funds or from the arterial portion of the Major Street Program. The rules concerning loan eligibility are explained in the edits to the policy shown in Attachment 4. A loan document would need to be executed by the jurisdiction and approved by the SANBAG Board, following a financial analysis verifying eligibility.

Future Policy Amendments

As noted previously, amendments to Measure I policies for the Valley Freeway Interchange Program (Policy 40005) will be considered in 2015 along with the Board-required review of interchange priorities. Consideration of the City of Ontario’s comments regarding the handling of project administrative costs for interchange projects will be deferred until that point.

General Policy Committee Agenda Item
February 11, 2015
Page 5

Financial Impact:

This item has no impact on the Fiscal Year 2014/2015 SANBAG budget.

Reviewed By:

The material in this item was reviewed by the Transportation Technical Advisory Committee on January 5, 2015 and the City/County Manager Ad Hoc committee on December 17, 2014.

Responsible Staff:

Steve Smith, Director of Planning

Approved
General Policy Committee
Date: February 11, 2015

Witnessed By:

San Bernardino Associated Governments	Policy	40001
Adopted by the Board of Directors April 1, 2009	Revised	2/04/15
San Bernardino Valley Subarea (VS) Measure I 2010-2040 Strategic Plan	Revision No.	2

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Table of Contents Purpose References Definitions Revision History
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I. PURPOSE

The purpose of this policy is to establish the requirements for overall administration of the programs included in the San Bernardino Valley Expenditure Plan as part of Measure I 2010-2040. The Valley Subarea policies establish the process for identification of need, fund apportionment, fund allocation, and expenditure requirements for all programs in the Valley, including Freeway, Freeway Interchange, Major Street, Local Street, Metrolink/Rail, Express Bus/Bus Rapid Transit, Senior and Disabled Transit, and Traffic Management Systems. This policy also provides direction on the use of State and federal funds in the San Bernardino Valley Subarea, as well as the provisions governing cost-buy down for projects with a development share contribution.

II. REFERENCES

Ordinance No. 04-01 of the San Bernardino County Transportation Authority, Exhibit A – Transportation Expenditure Plan

III. DEFINITIONS

Apportionment: An action by the SANBAG Board of Directors to assign specific amounts of Measure I 2010-2040 fund to Measure I programs for a given fiscal year. The apportionment decision is made annually by the Board of Directors by February of each year.

Allocation: An action by the SANBAG Board of Directors to assign a specific amount of Measure I funds from a Measure I program to a project. The allocation decision is made annually by the Board of Directors by March of each year.

Capital Project Needs Analysis (CPNA): A five-year plan of capital project needs for each program included in the San Bernardino Valley Expenditure Plan. The CPNA includes estimates of project costs to be incurred by funding type, fiscal year, and phase for the five year period following the beginning of the subsequent State fiscal year.

Jurisdiction Master Agreement: An agreement between SANBAG and a local jurisdiction documenting the allocation of Measure I 2010-2040 funds to the jurisdiction under the Arterial Sub-program of the Major Street Program in the Valley Subarea for the specified fiscal year.

Project Funding Agreement: An agreement between SANBAG and a local jurisdiction documenting the allocation of Measure I 2010-2040 funds to the jurisdiction for a project under the Valley Freeway Interchange Program or the Rail-Highway Grade Separation Sub-program of the Major Street Program and specifies the conditions of performance by SANBAG and the local jurisdiction associated with that project.

IV. POLICIES FOR THE SAN BERNARDINO VALLEY SUBAREA

A. Program Equity

Policy VS-1: SANBAG shall ensure that all San Bernardino Valley Programs receive their percentage allocation of Measure I revenue in accordance with the Measure I 2010-2040 Expenditure Plan. The calculation of percentage allocation shall include adjustments for the time-value of money based on time of apportionment of Measure I funds in all programs, as specified in Policy VS-3.

Policy VS-2: The SANBAG Board of Directors shall have full discretion over the apportionment of Measure I 2010-2040 revenue between Valley Programs on an annual basis, subject to Policy VS-1.

Policy VS-3: Adjustments for the time-value of money referenced in Policy VS-1 shall be based on comparisons of the net present value of apportionments by Valley program calculated using a discount rate based on the annual change in the Consumer Price Index for Southern California, as maintained by the California Department of Finance.

B. Identification of Needs

Policy VS-4: SANBAG staff and local jurisdictions shall submit a five-year Capital Project Needs Analysis (CPNA) for all programs included in the Valley Expenditure Plan by September 30 of each year. Responsibility for preparation of the CPNAs for specific programs are established in Policies VS-5 and VS-6.

Policy VS-5: SANBAG staff shall be responsible for preparation of the CPNAs for the Valley Freeway, Metrolink/Rail, Express Bus/Bus Rapid Transit, Senior Disabled Transit and Traffic Management Systems Programs.

Policy VS-6: Local jurisdictions shall be responsible for preparation of the CPNAs for the Valley Freeway Interchange and Major Streets Programs, except that SANBAG staff may prepare CPNAs for interchange projects required to enable construction of a freeway mainline project. All CPNAs submitted by local jurisdictions shall be approved by the City Council/Board of Supervisors and shall be coordinated with the Five Year Capital Improvement Plan required as part of the Valley Local Streets Program policies (see Policy 40003)

Policy VS-7: All CPNAs shall identify the requested amount of Measure I and any additional federal, State, or private funding by phase and year for the five year period following the beginning of the subsequent State fiscal year.

C. Cash-Flow Analysis

Policy VS-8: SANBAG staff shall prepare an estimate of projected Measure I, State, federal and private funding for the subsequent fiscal year by September 30 of each year.

Policy VS-9: SANBAG staff shall prepare a cash flow analysis of all Measure I 2010-2040 Valley Programs based on information submitted by local jurisdictions, the funding needs of the SANBAG administered programs, and the assessment of Measure I, State, federal and private funding.

Policy VS-10: At a minimum, the Cash Flow Analysis shall include the following considerations:

- All Measure I 2010-2040 San Bernardino Valley program needs identified in CPNAs
- Needs pursuant to Project Advancement and Advance Expenditure Agreements
- Needs related to Bond or other debt repayment
- Revenue committed to projects or programs in previous cycles
- Ability to leverage additional State, federal and private funding sources.

Policy VS-11: The Cash Flow Analysis shall be completed for presentation to SANBAG policy committees by January each year.

Policy VS-12: The Cash Flow Analysis shall provide input to any SANBAG agency bonding decisions.

D. Fund Apportionment

Policy VS-13: The SANBAG Board of Directors shall use the Cash Flow Analysis as a basis for apportioning funds among the Measure I Valley Programs.

Policy VS-14: The SANBAG Board of Directors shall apportion funds by its February meeting, so that budget documents can be prepared for the subsequent fiscal year.

E. Fund Allocation

Policy VS-15: The SANBAG Board shall approve an allocation of funding to specific San Bernardino Valley Measure I projects by March of each year. The fund allocation shall include a list of projects and funding amounts.

Policy VS-16: The fund allocation approved by the Board, as stated in Policy VS-15, shall constitute the agency's annual project delivery plan.

F. Fund Expenditure

Policy VS-17: SANBAG administered projects may begin expenditure of funds following the standard approvals by the SANBAG Board of Directors.

Policy VS-18: A local jurisdiction may begin expenditure of funds following the execution of a Project Funding Agreement or a Jurisdiction Master Agreement by both SANBAG and the jurisdiction, as appropriate to the project type and pursuant to Policies 40005 and 40006.

Policy VS-19: The Project Funding Agreement shall be based on the SANBAG Board-approved fund allocation and shall document the scope of the project, its cost, and the terms by which reimbursement shall occur.

Policy VS-20: The Jurisdiction Master Agreement shall be based on the SANBAG Board-approved allocation of funds to projects in the Arterial Sub-program (see Policy VS-15) of the Major Streets Program, and shall document the scopes of the projects, their costs, and the terms by which reimbursement shall occur. One Jurisdiction Master Agreement may include multiple projects in the Arterial Sub-program.

G. Use of State and Federal Funds for Measure I 2010-2040 Projects - General

Policy VS-21: The SANBAG Board shall assure reasonable equity in the shares of projected State and federal transportation funds allocated and expended within geographic areas of the county, subject to the eligibility of funds for the specified programs within those geographic areas.

Policy VS-22: The SANBAG Board of Directors has discretion to program State and federal funds to projects based on needs and priorities that exist at the time the decisions are made, subject to the eligibility of projects for each funding source and approvals by appropriate State and federal authorities.

Policy VS-23: SANBAG shall implement strategies that maximize the use of State and federal funds when projects are planned and delivered. This may include borrowing against future revenues streams, such as with Grant Anticipation Revenue Vehicles (GARVEE bonds) for federal funds.

Policy VS-24: SANBAG will aggressively advocate for its share of State and federal dollars to deliver Measure I projects.

H. Use of State and Federal Funds for Measure I 2010-2040 Projects – Specific Sources

Policy VS-25: CMAQ funds (or funds in any successor program to CMAQ) necessary to continue previously approved regional programs, including Freeway Service Patrol(FSP), rideshare activities, and Valley-wide Signal Synchronization shall be set aside for those purposes.

Policy VS-26: CMAQ funds (or funds in any successor program to CMAQ) shall be considered as a significant source to fund transit capital projects and start-up operating expenses in accordance with CMAQ criteria. Allocation of CMAQ funding to transit capital projects is to be made by SANBAG in a manner consistent with plans developed by the transit operators and approved by the SANBAG Board of Directors.

Policy VS-27: Remaining CMAQ funds may be allocated to High Occupancy Vehicle facility components of the Valley Freeway projects listed in the Measure I Expenditure Plan, subject to eligibility criteria.

Policy VS-28: All of the STP funds apportioned to the urbanized areas of the San Bernardino Valley shall be allocated to the Valley Freeway Program projects listed in the Measure I Expenditure Plan.

Policy VS-29: SANBAG shall work closely with Caltrans to identify projects that are eligible to receive State Inter-regional Improvement Program (IIP) funds to assist in timely delivery of those projects. This may include projects within as well as outside urbanized areas.

I. Cost Buy-down for Projects with a Development Share Contribution

Policy VS-30: State, federal, or private funds may be used to buy down either the total cost of a project, the public share of the project cost, or the development share of the project cost based on the following criteria:

1. Funds that buy down the total cost of the project (after which the development fair share percentage is applied) include railroad contributions, State grants and Federal Congressional earmarks (through appropriations process, competition, etc.) from transportation sources that are not allocated or approved by SANBAG (e.g., IM, Demo, Caltrans ATP), TCRP, PNRS, or TIGER with local agency listed as lead recipient, PUC, and HBP).
2. Funds considered part of the public share of the project cost include apportionments or allocations of State or federal transportation funds to SANBAG for funding of projects, whether managed by SANBAG or local agency (e.g., TCRP and PNRS with SANBAG listed as lead recipient, CMIA, TCIF, SLPP (non-competitive), and State allocation and Federal apportionment by SANBAG (e.g., STIP, CMAQ, STP, TEA (SANBAG Allocation), TDA).
3. Funds that buy down the development share of the project cost include other state or federal appropriations of funding to a project from a non-transportation source (e.g., HUD, BIA, DOD) or SLPP competitive program (due to its DIF match requirement).

Fund definitions:

- ATP = Caltrans Active Transportation Program
- BIA = Bureau of Indian Affairs or individual tribal contributions
- CMAQ = federal Congestion Mitigation and Air Quality
- CMIA = Corridor Mobility Improvement Account (Proposition 1B)
- Demo = Demonstration project or similar project earmarked for a local jurisdiction in federal appropriations
- DOD = Department of Defense
- HBP = federal Highway Bridge Program
- HUD = federal Housing and Urban Development
- IM = federal Interstate Maintenance
- PNRS = federal Projects of National and Regional Significance
- PUC = California Public Utilities Commission
- SLPP = State/Local Partnership Program (Proposition 1B)
- STIP = State Transportation Improvement Program
- STP = federal Surface Transportation Program
- TCIF = Trade Corridor Improvement Funds (Proposition 1B)
- TCRP = Caltrans Traffic Congestion Relief Program
- TDA = state Transportation Development Act
- TEA = Transportation Enhancement Activities (supplanted by ATP)
- TIGER = federal Transportation Investment Generating Economic Recovery

J. Measure I Reserve

Policy VS-31: SANBAG shall budget for a reserve for the Valley subarea equivalent to 20% of the annual Measure I revenue from the following programs: Freeway, Freeway Interchange, Major Street, Traffic Management Systems, Metrolink/Rail, and Express Bus/BRT programs.

Policy VS-32: The 20% reserve shall be established with the first year of Measure I 2010-2040 apportionment, and escalated annually to remain proportional to the growth in annual Measure I revenue.

Policy VS-33: The reserve may be used to:

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Attachment: GPC1501a-ss1 (1501 : Proposed amendments to Measure I Strategic Plan Policies)

- Advance federal or state funds that require reimbursement.
- Manage cash flow for non pass-through programs.
- Cover cost overruns for SANBAG projects or to cover unforeseen expenses associated with projects that received an allocation of Measure I 2010-2040 funds.
- Leverage other state or federal funds to which SANBAG might otherwise lose access.

Policy VS-34: Should Measure I reserves be used, revenue accrual within the year or revenue from the subsequent year's apportionment will be used to replenish the reserve.

V. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Adopted by the Board of Directors.	04/01/2009
1	Amended to include policies VS-31 through VS-34 establishing and maintaining a Measure I reserve.	07/07/2010
<u>2</u>	<u>Amended to clarify funds that buy down total project cost versus funds that are applied to the public share and development share of costs in VS-30</u>	<u>Scheduled for 02/04/2015</u>

Attachment: GPC1501a-ss1 (1501 : Proposed amendments to Measure I Strategic Plan Policies)

San Bernardino Associated Governments	Policy	40013
Adopted by the Board of Directors April 1, 2009	Revised	2/04/15
Victor Valley Major Local Highways (VVMLH) Program Measure I 2010-2040 Strategic Plan	Revision No.	2

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<p>Table of Contents</p> <p>Purpose References Definitions Policies for Victor Valley Major Local Highways Program Revision History</p>
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I. PURPOSE

The purpose of this policy is to establish the requirements for administration of the Victor Valley Major Local Highways Program for Measure I 2010-2040. The policy establishes the fund apportionment and allocation process, the equitable shares for individual jurisdictions, project eligibility, reimbursement mechanisms, limitations on eligible expenditures, and the role of SANBAG. The program will be funded by 25% of the total Measure I 2010-2040 revenue collected in the Victor Valley Subarea. This program will be used by local jurisdictions to fund Major Local Highways projects of benefit to the subarea.

II. REFERENCES

Ordinance No. 04-01 of the San Bernardino County Transportation Authority, Exhibit A – Transportation Expenditure Plan
 SANBAG Congestion Management Program

III. DEFINITIONS

Major Local Highways Projects: Major streets and highways serving as primary routes of travel within the subarea, which may include State highways and freeways, where appropriate. These funds may also be used to leverage other state and federal funds for transportation projects and to perform planning/project reports.

Development Share: The percentage share of total project cost assigned as the development contribution percentage as listed in the SANBAG Nexus Study.

Public Share – The share of project cost calculated as the total cost of the project minus the developer share.

Capital Project Needs Analysis (CPNA): A plan of projected local jurisdiction expenditures for the next five years on Major Local Highways eligible for Major Local Highways Program funds, updated annually and submitted to SANBAG by local jurisdictions. The Capital Project Needs Analysis includes anticipated funding sources, funding amounts, project phasing, and availability of development fair share funds.

IV. POLICIES FOR THE VICTOR VALLEY MAJOR LOCAL HIGHWAYS PROGRAM

A. Major Local Highways – Allocation to Eligible Projects

Policy VVMLH-1: The Major Local Highways Program of the Victor Valley Subarea shall be funded from 25% of the Measure I 2010-2040 revenue collected within the subarea. This amount shall be reserved in a special account to be expended on Major Local Highway Projects of benefit to the subarea. Major Local Highway Projects are defined as major streets and highways serving as primary routes of travel within the subarea, which may include State highways and freeways. Where

Attachment: GPC1501a-ss1 (1501 : Proposed amendments to Measure I Strategic Plan Policies)

appropriate, Major Local Highway Projects funds can be utilized to leverage other state and federal funds for transportation projects and to perform advance planning/project reports.

Policy VVMLH-2: Victor Valley Major Local Highways funds shall be allocated to each jurisdiction over the 30-year life of the Measure, subject to the qualifications stated in the policies below.

- a. Each jurisdiction shall receive an approximately equivalent share of the total revenue raised by Major Local Highways Program over the life of the Measure, as adjusted to account for the time-value of money, per Policy VVMLH-4 listed below.
- b. If a jurisdiction receives proceeds from a bond sale secured by the Major Local Highways funds, then the portion of the debt service payment attributed to that jurisdiction's projects shall be counted toward that jurisdiction's equitable share percentage.
- c. Allocations shall be made with an objective of allowing projects from each jurisdiction of the subarea to be developed during each 10 year period of the Measure's life. The intent is to spread projects so that no jurisdiction has to wait until the last part of the Measure to receive benefits of Major Local Highway funds.
- d. Allocations shall be made to projects from candidate project lists, developed according to Policy VVMLH-3.
- e. Allocations may serve to maximize leveraging of private, local, federal, and State dollars, with attention to leveraging of Interregional Transportation Improvement Program Funds on the Interregional Road System in the rural areas of the Victor Valley Subarea as well.
- f. Allocations shall be made with an objective of delivering projects at the earliest possible date.
- g. SANBAG shall actively engage in planning and project delivery of Major Local Highway Projects in collaboration with local jurisdictions and Caltrans in a manner which will minimize the time and cost of project delivery.

Policy VVMLH-3: A master list of projects eligible for Victor Valley Major Local Highways Program funding shall be maintained and periodically updated. The list shall be consistent with the project eligibility criteria in Policy VVMLH-1 and shall be approved by the SANBAG Board, based on a recommendation of the Victor Valley subarea representatives and the Mountain/Desert Committee. In preparing the list, input shall be considered from each of the five local jurisdictions and from other public and private stakeholders, such as Caltrans, neighboring counties, transit agencies, federal agencies, business interests and other non-governmental organizations. The list shall represent the list of eligible projects and shall not represent a commitment by SANBAG to fund all or a portion of those projects. Funding commitments will be managed under the terms of Policy VVMLH-6 shown below.

Policy VVMLH-4: Adjustments for the time-value of money shall be based on comparisons of the net present value of Measure I Major Local Highway Program expenditures by Victor Valley jurisdictions, calculated using a discount rate based on the annual change in the Consumer Price Index for the State of California, as maintained by the California Department of Finance. The expenditure date shall be based on the date of consultant/contractor invoices provided to SANBAG for reimbursement on eligible Major Local Highways Program projects.

Policy VVMLH-5: By September 30 of each year, Victor Valley jurisdictions must submit a Five Year Capital Projects Needs Analysis (CPNA) for projects in the Victor Valley Major Local Highways Program. The CPNAs cover a five year prospective period that commences the following fiscal year. The needs analysis shall document project needs by fiscal year and include anticipated funding sources, funding amounts and project phasing where appropriate. The needs analysis shall also demonstrate the availability of the development mitigation fair share funds, where appropriate for projects in the urbanized Victor Valley. Approval of a jurisdiction's CPNA by the jurisdiction's Council/Board of Supervisors must be accommodated within the timeframe of the September 30 submittal date.

Policy VVMLH-6: The SANBAG Board of Directors shall apportion funds to the Major Local Highways Program in the Victor Valley by its February meeting, so that budget documents can be prepared for the subsequent fiscal year, based on a recommendation of the Victor Valley subarea representatives and the Mountain/Desert Committee. The Victor Valley Subarea and Mountain/Desert Committee recommendation shall be informed by requests of Measure I funds contained in the Capital Projects Needs Analysis (CPNA), the status of equitable share percentages from prior years, SANBAG's forecast of Measure I revenue that may be available for the Major Local Highways Program, and SANBAG's assessment of opportunities for leveraging of State and federal funds. The recommendation shall include a table of project phases recommended for funding, project costs, Measure I requests, other funding sources, and the allocation of costs to jurisdictions, at a minimum. SANBAG staff shall maintain a cumulative accounting of allocations to projects by jurisdiction, adding allocations to jurisdictions' accounts each year. Measure I funds shall be retained by SANBAG until reimbursed to jurisdictions based on invoices received.

Policy VVMLH-7: Each year, SANBAG staff will compile a list of each jurisdiction and the cumulative amount of Major Local Highway funds received for projects. This list will be used by members of the subarea and the Mountain/Desert Committee to make their allocation recommendation to the SANBAG Board of Directors.

Policy VVMLH-8: Equitable shares may be adjusted based on annexation of unincorporated areas into a city or the incorporation of previously unincorporated areas into a new city.

B. Development Fair Share Contribution

Policy VVMLH-9: Development Fair Share Contribution is required by Measure I 2010-2040 for Major Local Highway Projects covered under the Development Mitigation Nexus Study for the urbanized areas or a Traffic Impact Analysis in the non-urban areas, excluding any eligible freeway mainline projects. Development fair share for arterials, interchanges and railroad grade crossings are determined by the most recent version of the Nexus Study adopted by the SANBAG Board of Directors in the urbanized Victor Valley or by a Traffic Impact Analysis as required by the SANBAG Congestion Management Program in the non-urbanized areas.

Policy VVMLH-10: Jurisdictions may borrow from other internal accounts (i.e. within their own jurisdictions) to fund the required development fair share for projects. The internal accounts shall be reimbursed by development mitigation as development occurs..

C. Cost Reimbursement

Policy VVMLH-11: The Major Local Highway program shall be administered as a cost reimbursement program. Sponsoring agencies shall enter into Project Funding Agreements with SANBAG prior to receiving authorization from SANBAG to expend funds. Following the authorization to expend funds, the sponsoring agency may incur expenses for the components of the project identified in the scope of work included in the Project Funding Agreement.

Policy VVMLH-12: On an exception basis and subject to SANBAG Board approval, the advanced reimbursement of anticipated expenses may be permissible. Only the right-of-way and construction phases are eligible and are subject to the conditions stated below.

- Right-of-way: Only right-of-way transactions in excess of \$500,000 shall be considered for advance reimbursement. The advanced reimbursement shall be based on an accepted written appraisal or sales contract. Adjustments to this estimate based on actual costs shall be reconciled with SANBAG within 30 days of close of escrow and subject to the provisions governing right-of-way purchase established in Policy VVMLH-23.
- Construction: The advanced reimbursement shall be based on an awarded construction contract in excess of \$10,000,000. The amount to be advanced to the local jurisdiction shall not be greater than 10% of the public share of total project cost or of three months estimated peak burn rate for the project, whichever is less. The advanced reimbursement shall be used to help provide liquidity to the local jurisdiction for payment to the contractor and shall be reconciled at the end of the construction phase of the project. SANBAG shall reimburse jurisdiction invoices, in addition to the advanced reimbursement amount, until the public

share amount remaining in the contract is equivalent to the advanced reimbursement, after which the advanced reimbursement shall satisfy SANBAG reimbursement requirements.

Policy VVMLH-13: A local jurisdiction may begin expenditure of funds following the execution of the Project Funding Agreement. The Project Funding Agreement shall include the scope of work for a project or project phase and a commitment to provide the development share of the funding through all the phases of the project, as required by Policy VVMLH-9. The Project Funding Agreement shall be executed by the local jurisdiction and SANBAG prior to the expenditure of funding on any phase of the project. Local jurisdictions shall not be reimbursed for any costs incurred prior to the execution of the Project Funding Agreement.

Policy VVMLH-14: Local jurisdictions that desire to deliver a Major Local Highway project to which funds cannot be allocated in a given year shall be eligible for reimbursement through an Advance Expenditure Agreement.

D. Local Jurisdiction Invoices

Policy VVMLH-15: Local jurisdictions shall submit invoices to SANBAG for actual expenditures incurred for components of a project as identified in the scope of work included in the Project Funding Agreement. Invoices may be submitted to SANBAG no more frequently than monthly.

Policy VVMLH-16: Local jurisdictions shall provide adequate documentation to substantiate the costs included in the invoice. At a minimum, the jurisdiction must submit the invoice provided by the contractor to the agency, which shall include unit costs, quantities, labor rates and other documentation, as appropriate, to substantiate expenses incurred by the contractor.

Policy VVMLH-17: The sponsoring agency shall be reimbursed for the actual project costs minus the development mitigation fair share percentage documented in the SANBAG Development Mitigation Nexus Study, up to the limit of Measure I Major Local Highway funding specified in the Project Funding Agreement.

E. Local Jurisdiction Reimbursement Schedule

Policy VVMLH-18: SANBAG shall reimburse the local jurisdiction for eligible expenditures within 30 days of receiving a complete and satisfactory invoice package.

F. Development Mitigation Fair Share Credit Agreements

Policy VVMLH-19: Local jurisdictions and developers shall be allowed to enter into credit agreements or other arrangements approved by the City Council/Board of Supervisors. Such agreements will be strictly between the local jurisdiction and the developer. Jurisdictions are advised to provide these credit agreements to SANBAG for review to ensure they are structured in a way that will adequately document private share costs for which the jurisdiction desires credit.

Policy VVMLH-20: A copy of the credit agreement or other arrangement and invoices to substantiate quantities and unit costs for a Nexus Study project included in a credit agreement or other arrangement shall be provided when a local jurisdiction submits an invoice for reimbursement.

Policy VVMLH-21: Local jurisdictions that submit an invoice involving a credit agreement or other arrangement shall separate the development mitigation portion of construction costs from any non-development mitigation portion of the development project in a verifiable fashion.

Policy VVMLH-22: Reimbursement shall occur for only the public share of the Nexus Study project costs

G. Ineligible Expenditures

Policy VVMLH-23: The following costs are ineligible for reimbursement:

- Additional environmental or architectural enhancement not required as part of the mitigation established in the environmental document(s) prepared for a project.
- Project oversight costs, with the exception of construction support costs.

- Property acquired through the right-of-way acquisition process that is not required for the actual construction of a project. SANBAG will either:
 - 1) Reimburse the jurisdiction for the public share of the portion of the property acquisition required for the project, with the "project portion" calculated as the sales price times times the percentage of the acreage actually required for the project, or
 - 2) At the request of the jurisdiction, reimburse based on the difference between the total sales price of the parcel and the residual value of the excess land not needed for the construction of the project, as determined by a qualified appraisal.
- Additional project scope not included in the Project Funding Agreement between the sponsoring agency and SANBAG, except when SANBAG and the local agency mutually agree to a project scope change and amend the Project Funding Agreement.

H. Construction Cost Overruns

Policy VVMLH-24: Jurisdictions shall bear full responsibility for construction cost overruns, which is established as any amount in excess of the total cost of the accepted bid and contingencies up to 10% of the construction bid. On an exception basis, SANBAG and the local jurisdiction may agree to the modification of the project scope, and the jurisdiction may be reimbursed for the public share of the additional costs pursuant to an amendment to the Project Funding Agreement. On an exception basis, SANBAG and the local jurisdiction may agree to the modification of the project scope, and the jurisdiction may be reimbursed for the public share of the additional costs pursuant to an amendment to the Project Funding Agreement.

I. SANBAG Project Management

Policy VVMLH-25: SANBAG may manage development and delivery of Major Local Highway projects when requested to do so by the sponsoring jurisdiction. In such cases, SANBAG's costs for project management shall be borne by the sponsoring agency.

Policy VVMLH-26: The following conditions are established for projects under SANBAG project management:

- The sponsoring agency must submit a written request for SANBAG oversight of the project
- SANBAG staff or SANBAG consultants must have available staff resources for project management
- The sponsoring agency shall pay actual SANBAG project oversight costs, to be estimated in advance by SANBAG, as documented by the SANBAG financial management system.

J. Cost Buy-down for Projects with a Development Share Contribution

Policy VVMLH-27: State, federal, or private funds may be used to buy down either the total cost of a project, the public share of the project cost, or the development share of the project cost based on the following criteria:

1. Funds that buy down the total cost of the project (after which the development fair share percentage is applied) include railroad contributions, State grants and Federal Congressional earmarks (through appropriations process, competition, etc.) from transportation sources that are not allocated or approved by SANBAG (e.g., IM, Demo, Caltrans, ATP), TCRP, PNRS, or TIGER with local agency listed as lead recipient, PUC, and HBP.
2. Funds considered part of the public share of the project cost include apportionments or allocations of State or federal transportation funds to SANBAG for funding of projects, whether managed by SANBAG or local agency (e.g., TCRP and PNRS, with SANBAG listed as lead recipient, CMIA, TCIF, SLPP (non-competitive)), and State allocation and Federal apportionment by SANBAG (e.g., STIP, CMAQ, STP, TEA (SANBAG Allocation), TDA).

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- ~~Deleted: for Alameda Corridor East~~

3. Funds that buy down the development share of the project cost include other state or federal appropriations of funding to a project from a non-transportation source (e.g., HUD, BIA, DOD) or SLPP competitive program (due to its DIF match requirement).

Fund definitions:

- ATP = Caltrans Active Transportation Program
- BIA = Bureau of Indian Affairs or individual tribal contributions
- CMAQ = federal Congestion Mitigation and Air Quality
- CMIA = Corridor Mobility Improvement Account (Proposition 1B)
- Demo = Demonstration project or similar project earmarked for a local jurisdiction in federal appropriations
- DOD = Department of Defense
- HBP = federal Highway Bridge Program
- HUD = federal Housing and Urban Development
- IM = federal Interstate Maintenance
- PNRS = federal Projects of National and Regional Significance
- PUC = California Public Utilities Commission
- SLPP = State/Local Partnership Program (Proposition 1B)
- STIP = State Transportation Improvement Program
- STP = federal Surface Transportation Program
- TCIF = Trade Corridor Improvement Funds (Proposition 1B)
- TCRP = Caltrans Traffic Congestion Relief Program
- TDA = state Transportation Development Act
- TEA = Transportation Enhancement Activities (supplanted by ATP)
- TIGER = federal Transportation Investment Generating Economic Recovery

K. Measure I Reserve

Policy VVMLH-28: SANBAG shall budget for a reserve for the Victor Valley subarea equivalent to 20% of the annual Measure I revenue from the Victor Valley Major Local Highways Program.

Policy VVMLH-29: The 20% reserve shall be established with the first year of Measure I 2010-2040 apportionment, and escalated annually to remain proportional to the growth in annual Measure I revenue.

Policy VVMLH-30: The reserve may be used to:

- Advance federal or state funds that require reimbursement.
- Manage cash flow for the Victor Valley Major Local Highways Program.
- Cover unforeseen expenses associated with projects that received an allocation of Measure I 2010-2040 funds.
- Leverage other state or federal funds to which SANBAG might otherwise lose access.

Policy VVMLH-31: Should Measure I reserves be used, revenue accrual within the year or revenue from the subsequent year's apportionment will be used to replenish the reserve.

V. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Adopted by the Board of Directors.	04/01/2009
1	Amended to include policies VVMLH-28 through VVMLH-31 establishing and maintaining a Measure	07/07/2010

	I reserve.	
<u>2</u>	<u>Amended to clarify funds that buy down total project cost versus funds that are applied to the public share and development share of costs in VVMLH-27</u>	<u>Scheduled for 02/04/2015</u>

Attachment: GPC1501a-ss1 (1501 : Proposed amendments to Measure I Strategic Plan Policies)

San Bernardino Associated Governments	Policy	40003
Adopted by the Board of Directors April 1, 2009	Revised	2/04/2015
Valley Local Street (VLS) Program Measure I 2010-2040 Strategic Plan	Revision No.	2

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Important Notice: A hardcopy of this document may not be the document currently in effect. The current version is always the version on the SANBAG Intranet.

<p>Table of Contents Purpose References Definitions Policies for Valley Local Streets Program Revision History </p>
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I. PURPOSE

The purpose of this policy is to establish requirements relating to adoption of Five Year Plans by local jurisdictions outlining the projects which will be funded under the Measure I 2010-2040 Valley Subarea Local Streets Program. Twenty percent of the total Measure I 2010-2040 revenue collected in the San Bernardino Valley Subarea shall be assigned to the Local Streets Program. This program will be used by local jurisdictions to fund Local Street Projects.

II. REFERENCES

Ordinance No. 04-01 of the San Bernardino County Transportation Authority, Exhibit A – Transportation Expenditure Plan.

SANBAG Congestion Management Program

III. DEFINITIONS

Local Street Program: Measure I program in all subareas that provides funds through a pass-through mechanism directly to local jurisdictions for expenditure on street and road construction, repair, maintenance and other eligible local transportation priorities. Local Street Program funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local streets, major highways, state highway improvements, freeway interchanges, transit, and other improvements/programs to maximize use of transportation facilities.

Allocation: An action by the SANBAG Board of Directors to assign a specific amount of Measure I funds from a Measure I program to a project. The allocation decision is made annually by the Board of Directors by March of each year. Allocation of Local Street Program funds occur monthly as a direct pass-through to local jurisdictions.

Five Year Plan: A plan of projected local jurisdiction expenditures for the next five years on Local Street Projects eligible for Local Streets Program funds, updated annually and submitted to SANBAG by local jurisdictions.

IV. POLICIES FOR THE VALLEY LOCAL STREETS PROGRAM

A. Local Streets Allocation

Policy VLS-1: Each jurisdiction shall receive an allocation from 20% of the Measure I revenue collected in the Valley Subarea on a per capita basis using the population estimate as of January 1 of that year. The population estimate for making the per capita calculation shall be determined by SANBAG each year based on the State Department of Finance population estimate as of January 1 of that year. For the unincorporated areas, the calculation shall be based on the population estimate from the County Planning Department and reconciled with the State Department of Finance population estimate as of January 1 of that year.

Policy VLS-2: Local jurisdictions shall not receive their Local Streets Allocation until they have submitted their annual update of their Five Year Plan.

Policy VLS-3: The Local Streets allocation shall be remitted to local jurisdictions monthly.

Policy VLS-4: Local Streets Allocations remitted from January 1 until such time as the State Department of Finance has issued their population figures and SANBAG has made the per capita calculation, shall be based on the prior year's calculation. Once the per capita calculation has been made, the calculation will be applied retroactively to January 1 and amounts received by local jurisdictions will be adjusted to account for the difference in the amount remitted during the retroactive period and the amount that should have been remitted adjusted for the new per capita calculation.

B. Development Fair Share Contribution

Policy VLS-5: A development mitigation fair share contribution is required by Measure I 2010-2040 for all capacity improvement projects on the Nexus Study Network, contained in the most recent Board-adopted version of the Nexus Study approved for jurisdictions in the San Bernardino Valley.

Policy VLS-6: Annually as part of its audit of each jurisdictions' use of Measure I funds, SANBAG will specifically review development mitigation contribution records for capacity improvements to Nexus Study Network facilities. If a material finding is made in the audit showing that the development share contribution was not made, SANBAG may, as the Congestion Management Agency, withhold Section 2105 Gas Tax funds or Measure I Local Street Allocations until the jurisdiction shows that they are in compliance with the Congestion Management Program.

Policy VLS-7: Jurisdictions may borrow from other internal accounts (i.e. within their own jurisdictions) to fund the required development fair share. The internal accounts shall be reimbursed by development mitigation as development occurs..

C. Five Year Plan

Policy VLS-8: Each local jurisdiction is required to annually adopt a Five Year Capital Improvement Plan which details the specific projects to be funded using Measure I Local Pass-Through Funds. Expenditures of Measure I Local Pass Through Funds must be detailed in the Five Year Capital Improvement Plan and adopted by resolution of the governing body.

Policy VLS-9: Five Year Capital Improvement Plans shall:

- a. Specifically identify improvements to be funded by Measure I by street name, boundaries, and project type, subject to eligibility requirements listed in Section D below.
- b. Constrain the total amount of planned expenditures to 150% of SANBAG's forecasted revenue for Measure I Local Pass-Through Funds, revenue resulting from bonds secured by Measure I revenue, and remaining balances from previous year allocations.
- c. Include no more than 50% of estimated annual new revenue to general program categories for pavement management programs, system improvements, and general maintenance or other miscellaneous categorical expenditures. Carryover fund balance shall not be used for general program categories.

A general program category is a program of work without any identified streets. If a line item in the Five Year Capital Improvement Plan includes a list of the streets to which it will apply, then it does not have to count as a general program category (i.e. a city-wide AC overlay program that lists the streets to be included in the program).

- d. For capacity enhancement projects to Nexus Study Network roadways, include total estimated cost, Measure I share of project cost and development share of project cost. Maintenance projects or projects that do not enhance the capacity of a roadway do not require a development contribution to be included in the Five Year Plan.

Policy VLS-10: Any single project expenditure in excess of \$100,000 shall be listed as an individual project and shall not be included in a general program category. A project is defined as an eligible specific road improvement.

Policy VLS-11: The Five Year Capital Improvement Plan shall be the basis for the annual audit. Jurisdictions will have flexibility in moving projects around in their Five Year Capital Improvement Plan based on the necessities of the jurisdiction. However, in order for a project to be eligible for expenditure of Local Streets funds, the project must be included in the Five Year Capital Improvement plan. A revised Capital Improvement Plan must be provided to SANBAG by the end of each fiscal

year if the project list has been changed in order for the projects to be eligible for expenditures of Local Streets funds.

D. Eligible Expenditures

Policy VLS-12: Eligible expenditures include construction, maintenance, and overhead. Included below are definitions and types of eligible expenditures by category.

- a. Construction shall be defined as the building or rebuilding of streets, roads, bridges, and acquisition of rights-of-way or their component parts to a degree that improved traffic service is provided and geometric or structural improvements are effected including allocated administration and engineering necessarily incurred and directly related to the above.
 - 1) Removal of old street and roadbeds and structures, and detour costs when connected with a construction project.
 - 2) Change of alignment, profile, and cross-section.
 - 3) Addition of a frontage street or road.
 - 4) Original surfacing of shoulders.
 - 5) Installation of original traffic signs and markers on routes.
 - 6) Earthwork protective structures within or adjacent to the right-of-way area.
 - 7) Complete reconstruction or addition to a culvert.
 - 8) Reconstruction of an existing bridge or installation of a new bridge.
 - 9) Widening of a bridge.
 - 10) Installations or extensions of curb, gutter, sidewalks or underdrain, (including improvements to handicap ramps to make them ADA compliant).
 - 11) Extensions and new installation of walls.
 - 12) Reconstruction of an intersection and its approximate approaches to a substantially higher type involving a change in its character and layout including changes from a plain intersection to a major channelized intersection or to grade separation and ramps.
 - 13) Placing sufficient new material on soil surface, gravel street or road to substantially improve the quality of the original surface.
 - 14) Improvement of a surface to a higher type.
 - 15) Bituminous material of 1" or more placed on bituminous or concrete material. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.
 - 16) Remix existing bituminous surfacing with added materials to provide a total thickness of 1" or more. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.
 - 17) Stabilization of street or road base by additive, such as cement, lime or asphaltic material.
 - 18) Widening of existing street, roadbed or pavement, with or without resurfacing.
 - 19) Addition of auxiliary lanes such as speed change, storage, or climbing lanes.
 - 20) Resurfacing, stabilizing or widening of shoulders including necessary connections to side streets or road approaches.
 - 21) Installation or addition to landscape treatment such as sod, shrubs, trees, irrigation, etc.
 - 22) Extending old culverts and drains and replacing headwalls.
 - 23) Replacement of bridge rails and floors to a higher standard.
 - 24) Replacement of retaining walls to a higher standard.
 - 25) Replacement of all major signs or traffic control devices on a street or road.

- 26) The installation of a new sign or the replacement of an old sign with one of superior design such as increased size, illumination, or overhead installations.
 - 27) Installation or improvement of traffic signal controls at intersections and protective devices at railroad grade crossings.
 - 28) Installation or expansion of street or road lighting system.
 - 29) Replacement in kind, when legally required, of structures which are required to be relocated for street and road purposes.
 - 30) Construction of bikeways when they are an integral part of the Public Streets and Highways System or the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.
 - 31) Extension or new installation of guardrails, fences, raised medians or barriers for traffic safety.
 - 32) Painting or rearrangement of pavement striping and markings, or repainting to a higher standard.
 - 33) Construction of pedestrian underpasses or overhead crossing for the general public use.
 - 34) Purchase and installation of traffic signal control equipment including traffic actuated equipment, radio or other remote control devices and related computers, software and that portion of preemption equipment not mounted on motor vehicles.
 - 35) Maintenance or construction on alleys that have been formally accepted into the city or county street system.
- b. Maintenance shall be defined as the preservation and upkeep of a street or road to its constructed condition and the operation of a street or road facility and its integral services to provide safe, convenient and economical highway transportation. Examples of Maintenance include:
- 1) Scarifying, reshaping and restoring material losses.
 - 2) Applying dust palliatives.
 - 3) Patching, repairing, surface treating, and joint filling on bituminous or concrete surfaces.
 - 4) Jacking concrete pavements.
 - 5) Repair of traveled way and shoulders.
 - 6) Bituminous material of less than 1" added to bituminous material including seal coats.
 - 7) Remix existing bituminous surfacing with added materials to provide a total thickness of less than 1". (See exception under Construction, example 16.)
 - 8) Patching operations including base restoration.
 - 9) Resealing street or road shoulders and side street and road approaches.
 - 10) Reseeding and resodding shoulders and approaches.
 - 11) Reshaping of drainage channels and side slopes.
 - 12) Restoration of erosion controls.
 - 13) Cleaning culverts and drains.
 - 14) Removing slides and restoring facilities damaged by slides. (Additional new facilities shall be considered construction.)
 - 15) Mowing, tree trimming and watering.
 - 16) Replacing top soil, sod, shrubs, trees, irrigation facilities, etc. on street and roadside.
 - 17) Repairing curb, gutter, rip-rap, underdrain, culverts and drains.
 - 18) Cleaning, painting and repairing bridges and structures.

- 19) All snow control operations such as the erection of snow fences and the actual removal of snow and ice from the traveled way.
 - 20) Repainting of pavements, striping and marking to the same standards.
 - 21) Repainting and repairing of signs, guardrails, traffic signals, lighting standards, etc.
 - 22) Servicing lighting systems and street or road traffic control devices.
 - 23) Furnishing of power for street and road lighting and traffic control devices.
 - 24) Developing and maintaining programs which enhance management of transportation facilities such as travel demand models and pavement management programs.
 - 25) Purchase of equipment used exclusively for road maintenance.
- c. Overhead shall be defined as those elements of cost necessary in the production of an article or performance of a service which are of such a nature that the amount applicable to the functions are not readily discernible. Usually they relate to those objects of expenditure which do not become an integral part of the finished product or service. Examples of overhead components are shown below and are comprised of costs which cannot be identified or charged to a project, unless an arbitrary allocation basis is used. Overhead will only be allowed via an approved cost allocation plan or an equitable and auditable distribution of overhead among all departments.
- 1) Payroll
 - 2) Facilities
 - 3) Advertising
 - 4) General Government
 - 5) Department Accounts/Finance
 - 6) Procurement
 - 7) Top Management
 - 8) General Accounting/Finance
 - 9) Personnel
 - 10) Data Processing
 - 11) Legal Costs

E. Ineligible Expenditures

Policy VLS-13: Although many types of work may be classified as "construction," this does not make them automatically eligible for expenditures of Measure I funds. To be eligible, the work must be for street and road purposes.

- a. Following is a list of the types of expenditures which are not eligible for financing with Measure funds:
- 1) Costs of rearranging non-highway facilities, including utility relocation, when not a legal road or street obligation.
 - 2) New (first installation of) utilities, including water mains, sanitary sewers and other nonstreet facilities.
 - 3) Costs of leasing property or right-of-way, except when required for construction work purposes on a temporary basis.
 - 4) The costs of constructing or improving a street or area for parking purposes, except for the width normally required for parking adjacent to the traveled way and within the right-of-way, or when off-street parking facilities are constructed in lieu of widening a street to improve the flow of traffic.
 - 5) Decorative lighting.
 - 6) Park features such as benches, playground equipment, and rest rooms.
 - 7) Work outside the right-of-way which is not a specific right-of-way obligation.
 - 8) Equestrian under and overpasses or other similar structures for any other special interest group unless as a part of a right-of-way obligation.
 - 9) Construction, installation or maintenance of cattle guards.

- 10) Acquisition of buses or other mass transit vehicles or maintenance and operating costs for mass transit power systems or passenger facilities, other than to specifically serve elderly and handicapped persons.
- 11) Maintenance or construction on alleys that have not been formally accepted into the city or county street system.
- 12) Non-street related salaries and benefits.
- 13) Driveways outside of the street and road right-of-way.
- 14) Electronic speed control devices or other non-highway related safety expenditures.

F. Accounting Requirements

Policy VLS-14: Each local jurisdiction shall establish a Special Measure I 2010-2040 Transportation Sales Tax Fund. This fund is a special revenue fund utilized to account for proceeds of specific revenue sources that are legally restricted to expenditures for street purposes. Jurisdictions should use the modified accrual basis of accounting

Policy VLS-15: The following requirements are to provide guidance on the specific accounting treatment as it relates to the Special Measure I Transportation Sales Tax Fund.

- a. All apportionments shall be deposited directly into the Special Measure I Transportation Sales Tax Fund.
- b. Interest received by a jurisdiction from the investment of money in its Special Measure I Sales Tax Fund shall be deposited in the fund and shall be used for street purposes.
- c. Segregation must be maintained within the Special Measure I Transportation Sales Tax Fund to show separate balances for each subarea (County only).
- d. If other revenues are commingled in the Special Measure I Transportation Sales Tax Fund, it is the responsibility of the jurisdiction to provide accurate and adequate documentation to support revenue and expenditure allocation, as well as segregated balances.
- e. It is allowable to fund prior year expenditures with current year revenues and/or fund balance as long as funded projects are included in the adopted Five-Year Capital Improvement Program and accounting clearly identifies the project and other pertinent data to establish a clear audit trail.
- f. If a project is deemed ineligible in the annual Compliance Audit, the Measure I funds used on that project must be repaid to the Special Measure I Transportation Sales Tax Fund in accordance with Policy VLS-19.

Policy VLS-16: Any interest earned on investment of Measure I Transportation Sales Tax Funds must be deposited in the Special Measure I Transportation Sales Tax Fund. Any jurisdiction not electing to invest its Measure I funds but at the same time investing most of its other available funds should deposit the Measure I funds in a separate account to clearly indicate that no such monies were invested. If Measure I Transportation Sales Tax funds are invested, they must receive their equitable proration of interest earned on the total funds invested. Several methods are available to determine an equitable distribution of interest earned. Whatever method is employed, it will be analyzed during audit to determine reasonableness and confirm distribution to the Special Measure I Transportation Sales Tax Fund. It is recommended that a distribution based on average monthend cash balances be employed. In addition, if the interest distribution methodology allows for negative distributions, they will be disallowed. No interest charges based on negative cash and fund balances will be allowed.

Policy VLS-17: Reimbursements of Measure I Transportation Sales Tax Funds previously expended for street and road construction or right-of-way purposes, from whatever source, must be deposited in the Special Measure I Transportation Sales Tax Fund. This includes but is not limited to:

- Federal Aid Urban projects
- Redevelopment agencies
- Cooperative agreements
- Right-of-way dispositions
- Federal and safety projects

Policy VLS-18: Records:

- a. Source Documentation - On construction or purchase of right-of-way, all expenditures charged to the Measure I Transportation Sales Tax Fund must be supported by a warrant or other source document (invoice, requisition, time sheet, equipment rental charge, engineering plans, specifications and other pertinent data) clearly identifying the project and other pertinent data to establish a clear audit trail.
- b. Retention Period - All source documents, together with the accounting records, are deemed to be the official records of the jurisdiction and must be retained by the jurisdiction for five (5) years.

Policy VLS-19: If Measure I Transportation Sales Tax Funds are determined through the annual audit to have been used for ineligible expenses, the jurisdiction must repay those funds within six months of completion of the audit that discovered the ineligible use. If the jurisdiction is unable to repay those expenses through an internal transfer to the Measure I Transportation Sales Tax Fund from another source, then a Repayment Agreement must be approved by both the Jurisdiction and the SANBAG Board of Directors.

V. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Adopted by the Board of Directors.	04/01/2009
1	Revisions adopted by the Board of Directors on January 8, 2014, Agenda Item 14.	01/08/2014
2	<u>Revision in Policy VLS-12 to allow as eligible costs the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.</u>	<u>Scheduled for 02/04/2015</u>

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Attachment: GPC1501a-ss1 (1501 : Proposed amendments to Measure I Strategic Plan Policies)

San Bernardino Associated Governments	Policy	40012
Adopted by the Board of Directors April 1, 2009	Revised	2/4/2015
Victor Valley Local Streets (VVLS) Program Measure I 2010-2040 Strategic Plan	Revision No.	2

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<p>Table of Contents</p> <p> Purpose References Definitions Policies for the Victor Valley Local Streets Program Revision History </p>

I. PURPOSE

The purpose of this policy is to establish requirements for the Victor Valley Local Streets Program, including project eligibility, adoption of Five Year Plans by local jurisdictions, accounting requirements, and development mitigation requirements.

II. REFERENCES

Ordinance No. 04-01 of the San Bernardino County Transportation Authority, Exhibit A – Transportation Expenditure Plan.

SANBAG Congestion Management Program

III. DEFINITIONS

Local Street Program: Measure I program in all subareas that provides funds through a pass-through mechanism directly to local jurisdictions for expenditure on street and road construction, repair, maintenance and other eligible local transportation priorities. Local Street Program funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local streets, major highways, state highway improvements, freeway interchanges, transit, and other improvements/programs to maximize use of transportation facilities.

Allocation: An action by the SANBAG Board of Directors to assign a specific amount of Measure I funds from a Measure I program to a project. The allocation decision is made annually by the Board of Directors by March of each year. Allocation of Local Street Program funds occur monthly as a direct pass-through to local jurisdictions.

Five Year Plan: A plan of projected local jurisdiction expenditures for the next five years on Local Street Projects eligible for Local Streets Program funds, updated annually and submitted to SANBAG by local jurisdictions.

IV. POLICIES FOR THE VICTOR VALLEY LOCAL STREETS PROGRAM

A. Local Streets Allocation

Policy VVLS-1 Each jurisdiction shall receive an allocation from 70% of the Measure I revenue, after reservation of 2% collected in the subarea for Project Development and Traffic Management Systems. The allocation methodology is determined based on:

- 50% population. The population estimate for making the per capita calculation shall be determined by SANBAG each year based on the State Department of Finance population estimate. Annual adjustments to the population estimates are made mid-year, based on availability of DOF estimates. Following approval of the population estimates by the Board, adjustments will be made to the local pass through fund allocations retroactive to January 1 of the year.

- 50% return to source. The sales tax estimates provided by the State Board of Equalization, updated quarterly based on the prior quarter's financial data, shall be used as the basis for making the return to source calculations.

Policy VVLS-2: Local jurisdictions shall not receive their Local Streets Allocation until they have submitted their annual update of their Five Year Plan.

Policy VVLS-3: The Local Streets allocation shall be remitted to local jurisdictions monthly.

Policy VVLS-4: Local Streets Allocations remitted from January 1 until such time as the State Department of Finance has issued their population figures and SANBAG has made the per capita calculation, shall be based on the prior year's calculation. Once the per capita calculation has been made, the calculation will be applied retroactively to January 1 and amounts received by local jurisdictions will be adjusted to account for the difference in the amount remitted during the retroactive period and the amount that should have been remitted adjusted for the new per capita calculation.

Policy VVLS-5: Local Streets Allocations sales tax generation portion will be based on the prior quarter's data. Because of the lag in receiving sales tax data from the Board of Equalization, the Sales Tax Generation calculations for that portion of the Local Streets Allocation will be calculated using the data from the prior quarter. (Example: During the months of January, February and March SANBAG will use the local sales tax generation figure derived from the fourth quarter of the previous calendar year.)

Policy VVLS-6: SANBAG will make the monthly allocations using the following procedure:

- Determine total amount of Measure I Sales Tax generated in the subarea from information submitted by the State Board of Equalization.
- Multiply the total Measure I Sales Tax received for the month by 0.68 to arrive at the total amount of Local Streets Program funds available for distribution to local jurisdictions.
- Divide the Local Streets Program fund into two 50% pools of funding: Allocate the two pools of funding based on:
 - 1) a jurisdiction's population share of the entire subarea population.
 - 2) jurisdiction's share of sales tax generation within the total subarea.
- Add the population based component and the sales tax based component of each jurisdiction's allocation to arrive at the total Local Streets Allocation for each jurisdiction.
- Remit payment of Local Streets Program fund to local jurisdiction.

Policy VVLS-7: The Local Streets program allocation will be decreased by 0.5% beginning in 2015 with additional decreases of 0.5% every five years thereafter to a maximum of 2.5% to be allocated to the Senior and Disabled Transit Service Program. This change in allocation will occur automatically unless each jurisdiction in the subarea makes a finding that such increase in Senior and Disabled Transit Service Program is not needed to address unmet transit needs of senior and disabled transit users.

B. Development Fair Share Contribution

Policy VVLS-8: A development mitigation fair share contribution is required by Measure I 2010-2040 for all capacity improvement projects on the Nexus Study Network contained in the most recent Board-adopted version of the in the urbanized Victor Valley. The urbanized Victor Valley is defined as the cities of Adelanto, Hesperia, Victorville, Town of Apple Valley and their spheres of influence.

Policy VVLS-9: A development mitigation fair share contribution is required by Measure I 2010-2040 for all capacity improvement projects as identified by Traffic Impact Analysis (TIA) reports as required by the Congestion Management Program in the non-urban areas. The amount of the Development Fair Share Contribution for each project is defined by the traffic mitigation measures identified in the related TIA reports.

Policy VVLS-10: Annually as part of its audit of each jurisdictions' use of Measure I funds, SANBAG will specifically review development mitigation contribution records for capacity improvements to Nexus Study Network facilities. If a material finding is made in the audit showing

that the development share contribution was not made, SANBAG may, as the Congestion Management Agency, withhold Section 2105 Gas Tax funds or Measure I Local Street Allocations until the jurisdiction shows that they are in compliance with the Congestion Management Program.

Policy VVLS-11: Jurisdictions may borrow from other internal accounts (i.e. within their own jurisdictions) to fund the required development fair share. The development mitigation account shall reimburse the source of the loan as development occurs.

C. Five Year Plan

Policy VVLS-12: Each local jurisdiction is required to annually adopt a Five Year Capital Improvement Plan which details the specific projects to be funded using Measure I Local Pass-Through Funds. Expenditures of Measure I Local Pass Through Funds must be detailed in the Five Year Capital Improvement Plan and approved by the governing body.

Policy VVLS-13: Five Year Capital Improvement Plans shall:

- a. Specifically identify improvements to be funded by Measure I by street name, boundaries, and project type, subject to eligibility requirements listed in Section D below.
- b. Constrain the total amount of planned expenditures to 150% of SANBAG's forecasted revenue for Measure I Local Pass-Through Funds, revenue resulting from bonds secured by Measure I revenue, and remaining balances from previous year allocations.
- c. Include no more than 50% of estimated annual new revenue to general program categories for pavement management programs, system improvements, and general maintenance or other miscellaneous categorical expenditures. Carryover fund balance shall not be used for general program categories.

A general program category is a program of work without any identified streets. If a line item in the Five Year Capital Improvement Plan includes a list of the streets to which it will apply, then it does not have to count as a general program category (i.e. a city-wide AC overlay program that lists the streets to be included in the program).

- d. For capacity enhancement projects to Nexus Study Network roadways, include total estimated cost, Measure I share of project cost and development share of project cost. Maintenance projects or projects that do not enhance the capacity of a roadway do not require a development contribution to be included in the Five Year Plan.

Policy VVLS-14: Any single project expenditure in excess of \$100,000 shall be listed as an individual project and shall not be included in a general program category. A project is defined as an eligible specific road improvement.

Policy VVLS-15: The Five Year Capital Improvement Plan shall be the basis for the annual audit. Jurisdictions will have flexibility in moving projects around in their Five Year Capital Improvement Plan based on the necessities of the jurisdiction. However, in order for a project to be eligible for expenditure of Local Streets funds, the project must be included in the Five Year Capital Improvement plan. A revised Capital Improvement Plan must be provided to SANBAG by the end of each fiscal year if the project list has been changed in order for the projects to be eligible for expenditures of Local Streets funds.

D. Eligible Expenditures

Policy VVLS-16: Eligible expenditures include construction, maintenance, and overhead. Included below are definitions and types of eligible expenditures by category.

- a. Construction shall be defined as the building or rebuilding of streets, roads, bridges, and acquisition of rights-of-way or their component parts to a degree that improved traffic service is provided and geometric or structural improvements are effected including allocated administration and engineering necessarily incurred and directly related to the above.
 - 1) Removal of old street and roadbeds and structures, and detour costs when connected with a construction project.
 - 2) Change of alignment, profile, and cross-section.
 - 3) Addition of a frontage street or road.
 - 4) Original surfacing of shoulders.
 - 5) Installation of original traffic signs and markers on routes.

- 6) Earthwork protective structures within or adjacent to the right-of-way area.
- 7) Complete reconstruction or addition to a culvert.
- 8) Reconstruction of an existing bridge or installation of a new bridge.
- 9) Widening of a bridge.
- 10) Installations or extensions of curb, gutter, sidewalks or underdrain (including improvements to handicap ramps to make them ADA compliant).
- 11) Extensions and new installation of walls.
- 12) Reconstruction of an intersection and its approximate approaches to a substantially higher type involving a change in its character and layout including changes from a plain intersection to a major channelized intersection or to grade separation and ramps.
- 13) Placing sufficient new material on soil surface, gravel street or road to substantially improve the quality of the original surface.
- 14) Improvement of a surface to a higher type.
- 15) Bituminous material of 1" or more placed on bituminous or concrete material. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.
- 16) Remix existing bituminous surfacing with added materials to provide a total thickness of 1" or more. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.
- 17) Stabilization of street or road base by additive, such as cement, lime or asphaltic material.
- 18) Widening of existing street, roadbed or pavement, with or without resurfacing.
- 19) Addition of auxiliary lanes such as speed change, storage, or climbing lanes.
- 20) Resurfacing, stabilizing or widening of shoulders including necessary connections to side streets or road approaches.
- 21) Installation or addition to landscape treatment such as sod, shrubs, trees, irrigation, etc.
- 22) Extending old culverts and drains and replacing headwalls.
- 23) Replacement of bridge rails and floors to a higher standard.
- 24) Replacement of retaining walls to a higher standard.
- 25) Replacement of all major signs or traffic control devices on a street or road.
- 26) The installation of a new sign or the replacement of an old sign with one of superior design such as increased size, illumination, or overhead installations.
- 27) Installation or improvement of traffic signal controls at intersections and protective devices at railroad grade crossings.
- 28) Installation or expansion of street or road lighting system.
- 29) Replacement in kind, when legally required, of structures which are required to be relocated for street and road purposes.
- 30) Construction of bikeways when they are an integral part of the Public Streets and Highways System or the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.
- 31) Extension or new installation of guardrails, fences, raised medians or barriers for traffic safety.
- 32) Painting or rearrangement of pavement striping and markings, or repainting to a higher standard.
- 33) Construction of pedestrian underpasses or overhead crossing for the general public use.
- 34) Purchase and installation of traffic signal control equipment including traffic actuated equipment, radio or other remote control devices and related computers, software and that portion of preemption equipment not mounted on motor vehicles.
- 35) Maintenance or construction on alleys that have been formally accepted into the city or county street system.

b. Maintenance shall be defined as the preservation and upkeep of a street or road to its constructed condition and the operation of a street or road facility and its integral services to provide safe, convenient and economical highway transportation. Examples of Maintenance include:

- 1) Scarifying, reshaping and restoring material losses.
- 2) Applying dust palliatives.
- 3) Patching, repairing, surface treating, and joint filling on bituminous or concrete surfaces.
- 4) Jacking concrete pavements.
- 5) Repair of traveled way and shoulders.
- 6) Bituminous material of less than 1" added to bituminous material including seal coats.
- 7) Remix existing bituminous surfacing with added materials to provide a total thickness of less than 1". (See exception under Construction, example 16.)
- 8) Patching operations including base restoration.
- 9) Resealing street or road shoulders and side street and road approaches.
- 10) Reseeding and resodding shoulders and approaches.
- 11) Reshaping of drainage channels and side slopes.
- 12) Restoration of erosion controls.
- 13) Cleaning culverts and drains.
- 14) Removing slides and restoring facilities damaged by slides. (Additional new facilities shall be considered construction.)
- 15) Mowing, tree trimming and watering.
- 16) Replacing top soil, sod, shrubs, trees, irrigation facilities, etc. on street and roadside.
- 17) Repairing curb, gutter, rip-rap, underdrain, culverts and drains.
- 18) Cleaning, painting and repairing bridges and structures.
- 19) All snow control operations such as the erection of snow fences and the actual removal of snow and ice from the traveled way.
- 20) Repainting of pavements, striping and marking to the same standards.
- 21) Repainting and repairing of signs, guardrails, traffic signals, lighting standards, etc.
- 22) Servicing lighting systems and street or road traffic control devices.
- 23) Furnishing of power for street and road lighting and traffic control devices.
- 24) Developing and maintaining programs which enhance management of transportation facilities such as travel demand models and pavement management programs.
- 25) Purchase of equipment used exclusively for road maintenance.

c. Overhead shall be defined as those elements of cost necessary in the production of an article or performance of a service which are of such a nature that the amount applicable to the functions are not readily discernible. Usually they relate to those objects of expenditure which do not become an integral part of the finished product or service. Examples of overhead components are shown below and are comprised of costs which cannot be identified or charged to a project, unless an arbitrary allocation basis is used. Overhead will only be allowed via an approved cost allocation plan or an equitable and auditable distribution of overhead among all departments.

- 1) Payroll
- 2) Facilities
- 3) Advertising
- 4) General Government
- 5) Department Accounts/Finance
- 6) Procurement
- 7) Top Management
- 8) General Accounting/Finance
- 9) Personnel
- 10) Data Processing
- 11) Legal Costs

E. Ineligible Expenditures

Policy VVLS-17: Although many types of work may be classified as "construction," this does not make them automatically eligible for expenditures of Measure I funds. To be eligible, the work must be for street and road purposes.

a. Following is a list of the types of expenditures which are not eligible for financing with Measure funds:

- 1) Costs of rearranging non-highway facilities, including utility relocation, when not a legal road or street obligation.
- 2) New (first installation of) utilities, including water mains, sanitary sewers and other nonstreet facilities.
- 3) Costs of leasing property or right-of-way, except when required for construction work purposes on a temporary basis.
- 4) The costs of constructing or improving a street or area for parking purposes, except for the width normally required for parking adjacent to the traveled way and within the right-of-way, or when off-street parking facilities are constructed in lieu of widening a street to improve the flow of traffic.
- 5) Decorative lighting.
- 6) Park features such as benches, playground equipment, and rest rooms.
- 7) Work outside the right-of-way which is not a specific right-of-way obligation.
- 8) Equestrian under and overpasses or other similar structures for any other special interest group unless as a part of a right-of-way obligation.
- 9) Construction, installation or maintenance of cattle guards.
- 10) Acquisition of buses or other mass transit vehicles or maintenance and operating costs for mass transit power systems or passenger facilities, other than to specifically serve elderly and handicapped persons.
- 11) Maintenance or construction on alleys that have not been formally accepted into the city or county street system.
- 12) Non-street related salaries and benefits.
- 13) Driveways outside of the street and road right-of-way.
- 14) Electronic speed control devices or other non-highway related safety expenditures.

F. Accounting Requirements

Policy VVLS-18: Each local jurisdiction shall establish a Special Measure I 2010-2040 Transportation Sales Tax Fund. This fund is a special revenue fund utilized to account for proceeds of specific revenue sources that are legally restricted to expenditures for street purposes. Jurisdictions should use the modified accrual basis of accounting.

Policy VVLS-19: The following requirements are to provide guidance on the specific accounting treatment as it relates to the Special Measure I Transportation Sales Tax Fund.

- a. All apportionments shall be deposited directly into the Special Measure I Transportation Sales Tax Fund.
- b. Interest received by a jurisdiction from the investment of money in its Special Measure I Sales Tax Fund shall be deposited in the fund and shall be used for street purposes.
- c. Segregation must be maintained within the Special Measure I Transportation Sales Tax Fund to show separate balances for each subarea (County only).
- d. If other revenues are commingled in the Special Measure I Transportation Sales Tax Fund, it is the responsibility of the jurisdiction to provide accurate and adequate documentation to support revenue and expenditure allocation, as well as segregated balances.
- e. It is allowable to fund prior year expenditures with current year revenues and/or fund balance as long as funded projects are included in the adopted Five-Year Capital Improvement Program and accounting clearly identifies the project and other pertinent data to establish a clear audit trail.
- f. If a project is deemed ineligible in the annual Compliance Audit, the Measure I funds used on that project must be repaid to the Special Measure I Transportation Sales Tax Fund in accordance with Policy VVLS-23.

Policy VVLS-20: Any interest earned on investment of Measure I Transportation Sales Tax Funds must be deposited in the Special Measure I Transportation Sales Tax Fund. Any jurisdiction not electing to invest its Measure I funds but at the same time investing most of its other available funds should deposit the Measure I funds in a separate account to clearly indicate that no such monies were invested. If Measure I Transportation Sales Tax funds are invested, they must receive their equitable proration of interest earned on the total funds invested. Several methods are available to determine an equitable distribution of interest earned. Whatever method is

employed, it will be analyzed during audit to determine reasonableness and confirm distribution to the Special Measure I Transportation Sales Tax Fund. It is recommended that a distribution based on average monthend cash balances be employed. In addition, if the interest distribution methodology allows for negative distributions, they will be disallowed. No interest charges based on negative cash and fund balances will be allowed.

Policy VVLS-21: Reimbursements of Measure I Transportation Sales Tax Funds previously expended for street and road construction or right-of-way purposes, from whatever source, must be deposited in the Special Measure I Transportation Sales Tax Fund. This includes but is not limited to:

- Federal Aid Urban projects
- Redevelopment agencies
- Cooperative agreements
- Right-of-way dispositions
- Federal and safety projects

Policy VVLS-22: Records

- a. Source Documentation - On construction or purchase of right-of-way, all expenditures charged to the Measure I Transportation Sales Tax Fund must be supported by a warrant or other source document (invoice, requisition, time sheet, equipment rental charge, engineering plans, specifications and other pertinent data) clearly identifying the project and other pertinent data to establish a clear audit trail.
- b. Retention Period - All source documents, together with the accounting records, are deemed to be the official records of the jurisdiction and must be retained by the jurisdiction for five (5) years.

Policy VVLS-23: If Measure I Transportation Sales Tax Funds are determined through the annual audit to have been used for ineligible expenses, the jurisdiction must repay those funds within six months of completion of the audit that discovered the ineligible use. If the jurisdiction is unable to repay those expenses through an internal transfer to the Measure I Transportation Sales Tax Fund from another source, then a Repayment Agreement must be approved by both the Jurisdiction and the SANBAG Board of Directors.

V. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Adopted by the Board of Directors.	04/01/2009
1	Revisions adopted by the Board of Directors on Jan. 8, 2014, Agenda Item 14.	01/08/2014
<u>2</u>	<u>Revision to allow as eligible costs the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.</u>	<u>Scheduled for 02/04/2015</u>

San Bernardino Associated Governments	Policy	40016
Adopted by the Board of Directors April 1, 2009	Revised	2/04/15
Rural Mountain/Desert Subareas Local Streets Program (MDLS) Measure I 2010-2040 Strategic Plan	Revision No.	2

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<p>Table of Contents</p> <p>Purpose References Definitions Policies for the Rural Mountain/Desert Subareas Local Streets Program Revision History </p>
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I. PURPOSE

The purpose of this policy is to establish requirements for the Local Streets Programs for the Colorado River, Morongo Basin, Mountains, and North Desert subareas, including project eligibility, adoption of Five Year Plans by local jurisdictions, accounting requirements, and development mitigation requirements.

II. REFERENCES

Ordinance No. 04-01 of the San Bernardino County Transportation Authority, Exhibit A – Transportation Expenditure Plan

III. DEFINITIONS

Local Street Program: Measure I program in all subareas that provides funds through a pass-through mechanism directly to local jurisdictions for expenditure on street and road construction, repair, maintenance and other eligible local transportation priorities. Local Street Program funds can be used flexibly for any eligible transportation purpose determined to be a local priority, including local streets, major highways, state highway improvements, freeway interchanges, transit, and other improvements/programs to maximize use of transportation facilities.

Allocation: An action by the SANBAG Board of Directors to assign a specific amount of Measure I funds from a Measure I program to a project. The allocation decision is made annually by the Board of Directors by March of each year. Allocation of Local Street Program funds occur monthly as a direct pass-through to local jurisdictions.

Five Year Plan: A plan of projected local jurisdiction expenditures for the next five years on Local Street Projects eligible for Local Streets Program funds, updated annually and submitted to SANBAG by local jurisdictions.

IV. POLICIES FOR THE RURAL MOUNTAIN/DESERT SUBAREAS LOCAL STREETS PROGRAM

A. Local Streets Allocation

Policy MDLS-1: Each jurisdiction shall receive an allocation from 70% of the Measure I revenue, after reservation of 2% collected in the subarea for Project Development and Traffic Management Systems. The allocation methodology is determined based on:

- 50% population. The population estimate for making the per capita calculation shall be determined by SANBAG each year based on the State Department of Finance population estimate. Annual adjustments to the population estimates are made mid-year, based on availability of DOF estimates. Following approval of the population estimates by the Board, adjustments will be made to the local pass through fund allocations retroactive to January 1 of the year.

- 50% return to source. The sales tax estimates provided by the State Board of Equalization, updated quarterly based on the prior quarter's financial data, shall be used as the basis for making the return to source calculations.

Policy MDLS-2: Local jurisdictions shall not receive their Local Streets allocation until they have submitted their annual update of their Five Year Plan.

Policy MDLS-3: The Local Streets Allocation shall be remitted to local jurisdictions monthly.

Policy MDLS-4: Local Streets Allocations remitted from January 1 until such time as the State Department of Finance has issued their population figures and SANBAG has made the per capita calculation, shall be based on the prior year's calculation. Once the per capita calculation has been made, the calculation will be applied retroactively to January 1 and amounts received by local jurisdictions will be adjusted to account for the difference in the amount remitted during the retroactive period and the amount that should have been remitted adjusted for the new per capita calculation.

Policy MDLS-5: Local Streets Allocations sales tax generation portion will be based on the prior quarter's data. Because of the lag in receiving sales tax data from the Board of Equalization, the Sales Tax Generation calculations for that portion of the Local Streets Allocation will be calculated using the data from the prior quarter. (Example: During the months of January, February and March SANBAG will use the local sales tax generation figure derived from the fourth quarter of the previous calendar year.)

Policy MDLS-6: SANBAG will make the monthly allocations using the following procedure:

- Determine total amount of Measure I Sales Tax generated in the subarea from information submitted by the State Board of Equalization.
- Multiply the total Measure I Sales Tax received for the month by 0.68 to arrive at the total subarea Local Streets Allocation.
- Divide the Local Streets Program fund into two 50% pools of funding: Allocate the two pools of funding based on:
 - 1) a jurisdiction's population share of the entire subarea population.
 - 2) jurisdiction's share of sales tax generation within the total subarea.
- Add the population based component and the sales tax based component of each jurisdiction's allocation to arrive at the total Local Streets Allocation for each jurisdiction.
- Remit payment of Local Streets Program fund to local jurisdiction.

Policy MDLS-7: Upon each jurisdiction in a particular subarea making a finding that an increase in Senior and Disabled Transit Service is needed to meet the unmet transit needs of senior and disabled users, the Local Streets allocation may be reduced and that allocation may be shifted to the Senior and Disabled Transit Service Program for that subarea.

B. Development Fair Share Contribution

Policy MDLS-8: Development mitigation for Local Street projects in the Rural Mountain/Desert is required by Measure I 2010-2040 for all capacity improvement projects for transportation facilities as identified by a Traffic Impact Analysis (TIA) report as required by the Congestion Management Program. The amount of the development mitigation for each project is defined by the traffic mitigation measures identified in the related TIA reports.

Policy MDLS-9: Annually as part of its audit of each jurisdictions' use of Measure I funds, SANBAG will specifically look to make sure that the development mitigation towards capacity improvements identified in TIAs is accounted for. If a material finding is made in the audit showing that a contribution of development mitigation was not made as identified by a TIA, then SANBAG may, as the Congestion Management Authority, withhold Section 2105 Gas Tax funds or Measure I Local Street Allocations until the jurisdiction shows that they are in compliance with the Congestion Management Plan.

C. Five Year Plan

Policy MDLS-10: Each local jurisdiction is required to annually adopt a Five Year Capital Improvement Plan which details the specific projects to be funded using Measure I Local Pass-Through Funds. Expenditures of Measure I Local Pass Through Funds must be detailed in the Five Year Capital Improvement Plan and adopted by resolution of the governing body.

Policy MDLS-11: Five Year Capital Improvement Plans shall:

- a. Specifically identify improvements to be funded by Measure I by street name, boundaries, and project type, subject to eligibility requirements listed in Section D below.
- b. Constrain the total annual amount of planned expenditures to 150% of SANBAG's forecasted revenue for Measure I Local Pass-Through Funds, revenue resulting from bonds secured by Measure I revenue, and remaining balances from previous year allocations.
- c. Include no more than 50% of estimated annual new revenue to general program categories for pavement management programs, system improvements, and general maintenance or other miscellaneous categorical expenditures. Carryover fund balance shall not be used for general program categories.

A general program category is a program of work without any identified streets. If a line item in the Five Year Capital Improvement Plan includes a list of the streets to which it will apply, then it does not have to count as a general program category (i.e. a city-wide AC overlay program that lists the streets to be included in the program).

Policy MDLS-12: Any single project expenditure in excess of \$100,000 shall be listed as an individual project and shall not be included in a general program category. A project is defined as an eligible specific road improvement.

Policy MDLS-13: The Five Year Capital Improvement Plan shall be the basis for the annual audit. Jurisdictions will have flexibility in moving projects around in their Five Year Capital Improvement Plan based on the necessities of the jurisdiction. However, in order for a project to be eligible for expenditure of Local Streets funds, the project must be included in the Five Year Capital Improvement plan. A revised Capital Improvement Plan must be provided to SANBAG by the end of each fiscal year if the project list has been changed in order for the projects to be eligible for expenditures of Local Streets funds.

D. Eligible Expenditures

Policy MDLS-14: Eligible expenditures include construction, maintenance, and overhead. Included below are definitions and types of eligible expenditures by category.

- a. Construction shall be defined as the building or rebuilding of streets, roads, bridges, and acquisition of rights-of-way or their component parts to a degree that improved traffic service is provided and geometric or structural improvements are effected including allocated administration and engineering necessarily incurred and directly related to the above.
 - 1) Removal of old street and roadbeds and structures, and detour costs when connected with a construction project.
 - 2) Change of alignment, profile, and cross-section.
 - 3) Addition of a frontage street or road.
 - 4) Original surfacing of shoulders.
 - 5) Installation of original traffic signs and markers on routes.
 - 6) Earthwork protective structures within or adjacent to the right-of-way area.
 - 7) Complete reconstruction or addition to a culvert.
 - 8) Reconstruction of an existing bridge or installation of a new bridge.
 - 9) Widening of a bridge.
 - 10) Installations or extensions of curb, gutter, sidewalks or underdrain (including improvements to handicap ramps to make them ADA compliant).
 - 11) Extensions and new installation of walls.
 - 12) Reconstruction of an intersection and its approximate approaches to a substantially higher type involving a change in its character and layout including changes from a plain intersection to a major channelized intersection or to grade separation and ramps.

- 13) Placing sufficient new material on soil surface, gravel street or road to substantially improve the quality of the original surface.
 - 14) Improvement of a surface to a higher type.
 - 15) Bituminous material of 1" or more placed on bituminous or concrete material. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.
 - 16) Remix existing bituminous surfacing with added materials to provide a total thickness of 1" or more. A lesser thickness may be considered construction provided the engineer shall certify that the resulting pavement is structurally adequate to serve anticipated traffic.
 - 17) Stabilization of street or road base by additive, such as cement, lime or asphaltic material.
 - 18) Widening of existing street, roadbed or pavement, with or without resurfacing.
 - 19) Addition of auxiliary lanes such as speed change, storage, or climbing lanes.
 - 20) Resurfacing, stabilizing or widening of shoulders including necessary connections to side streets or road approaches.
 - 21) Installation or addition to landscape treatment such as sod, shrubs, trees, irrigation, etc.
 - 22) Extending old culverts and drains and replacing headwalls.
 - 23) Replacement of bridge rails and floors to a higher standard.
 - 24) Replacement of retaining walls to a higher standard.
 - 25) Replacement of all major signs or traffic control devices on a street or road.
 - 26) The installation of a new sign or the replacement of an old sign with one of superior design such as increased size, illumination, or overhead installations.
 - 27) Installation or improvement of traffic signal controls at intersections and protective devices at railroad grade crossings.
 - 28) Installation or expansion of street or road lighting system.
 - 29) Replacement in kind, when legally required, of structures which are required to be relocated for street and road purposes.
 - 30) Construction of bikeways when they are an integral part of the Public Streets and Highways System or the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.
 - 31) Extension or new installation of guardrails, fences, raised medians or barriers for traffic safety.
 - 32) Painting or rearrangement of pavement striping and markings, or repainting to a higher standard.
 - 33) Construction of pedestrian underpasses or overhead crossing for the general public use.
 - 34) Purchase and installation of traffic signal control equipment including traffic actuated equipment, radio or other remote control devices and related computers, software and that portion of preemption equipment not mounted on motor vehicles.
 - 35) Maintenance or construction on alleys that have been formally accepted into the city or county street system.
- b. Maintenance shall be defined as the preservation and upkeep of a street or road to its constructed condition and the operation of a street or road facility and its integral services to provide safe, convenient and economical highway transportation. Examples of Maintenance include:
- 1) Scarifying, reshaping and restoring material losses.
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 - 3) Patching, repairing, surface treating, and joint filling on bituminous or concrete surfaces.
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- 13) Cleaning culverts and drains.
- 14) Removing slides and restoring facilities damaged by slides. (Additional new facilities shall be considered construction.)
- 15) Mowing, tree trimming and watering.
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- 18) Cleaning, painting and repairing bridges and structures.
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a. Following is a list of the types of expenditures which are not eligible for financing with Measure funds:

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- Cooperative agreements

- Right-of-way dispositions
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Policy MDLS-20: Records

- a. Source Documentation - On construction or purchase of right-of-way, all expenditures charged to the Measure I Transportation Sales Tax Fund must be supported by a warrant or other source document (invoice, requisition, time sheet, equipment rental charge, engineering plans, specifications and other pertinent data) clearly identifying the project and other pertinent data to establish a clear audit trail.
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2	<u>Revision in Policy MDLS-14 to allow as eligible costs the construction or maintenance of off-roadway bicycle facilities that benefit roadway safety or traffic flow.</u>	<u>Scheduled for 02/04/2014</u>

Attachment: GPC1501a-ss1 (1501 : Proposed amendments to Measure I Strategic Plan Policies)

San Bernardino Associated Governments	Policy	40006
Adopted by the Board of Directors April 1, 2009	Revised	2 /4/15
Valley Major Street (VMS) Program Measure I 2010-2040 Strategic Plan	Revision No.	2

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I. PURPOSE

The purpose of this policy is to delineate the requirements for administration of the Valley Major Street program for Measure I 2010-2040. The policy establishes the funding apportionment and allocation process, the process for establishing and monitoring equitable shares for individual jurisdictions, project eligibility, reimbursement mechanisms, limitations on eligible expenditures, and the role of SANBAG.

II. REFERENCES

Ordinance No. 04-01 of the San Bernardino County Transportation Authority, Exhibit A – Transportation Expenditure Plan

III. DEFINITIONS

Capital Project Needs Analysis – A five-year plan of capital project needs for each program included in the San Bernardino Valley Expenditure Plan. The CPNA includes estimates of project costs to be incurred by funding type, fiscal year, and phase for the five year period following the beginning of the subsequent State fiscal year.

Equitable Share – The percentage of Measure I Arterial Sub-program funding guaranteed to each Valley jurisdiction over the life of Measure I 2010-2040. The percentage is the ratio of public share costs for each jurisdiction's list of arterial projects to total Valley arterial public share costs in the Development Mitigation Nexus Study approved by the SANBAG Board in November 2007.

Development Share – The percentage share of total project cost assigned as the development contribution percentage as listed in the SANBAG Nexus Study.

Public Share – The share of project cost calculated as the total cost of the project minus the developer share.

Reserved Account – An account of Measure I dollars from the arterial portion of the Valley Major Street Program retained by SANBAG for each jurisdiction that can be accessed by a 1:1 match with development contributions. For each dollar of required development share pursuant to the Development Mitigation Nexus Study, one dollar is retained in the reserved account until matching funds are available.

Unreserved Account – An account representing a jurisdiction's equitable share of the arterial portion of the Valley Major Street funds minus the dollars in the reserved account. Jurisdictions may access the unreserved account with no development contribution match.

IV. POLICIES FOR THE VALLEY MAJOR STREET PROGRAM – CREATION OF SUB-PROGRAMS

Policy VMS-1: The Valley Major Street Program shall be divided into two sub-programs: 1) a Rail-Highway grade separation sub-program, and 2) an arterial sub-program.

Policy VMS-2: The SANBAG Board may vary the apportionments to each of the sub-programs from year to year. In FY 10/11 and FY 11/12, the Rail-Highway grade separation subprogram shall receive 20% of Measure I funds available in the Major Street Program.

From FY 12/13 to FY 19/20, the Rail-Highway grade separation subprogram shall receive 33% of Measure I funds available in the Major Street Program. From FY 20/21 to FY 29/30, the Rail-Highway grade separation subprogram shall receive 30% of Measure I funds available in the Major Street Program. In FY 30/31 – FY39/40, the Rail-Highway grade separation subprogram shall receive 22% of Measure I funds available in the Major Street Program.

Adjustments shall be made for the time-value of money to ensure that both sub-programs receive their equitable share of Valley Major Street Program funds over the life of the Measure, regardless of when projects are constructed.

Policy VMS-3: If it is apparent that fewer Measure I dollars are required for grade separations than the percentage allocation referenced above, all or a portion of the projected excess may be transferred to the arterial subprogram by action of the SANBAG Board of Directors.

V. POLICIES FOR THE VALLEY MAJOR STREET PROGRAM – RAIL-HIGHWAY GRADE SEPARATION SUB-PROGRAM

A. Rail-Highway Grade Separation Sub-program - Allocation of Measure I 2010-2040 Funding

Policy VMS-4: The SANBAG Board of Directors shall allocate funding to specific Valley Rail-Highway Grade Separation projects as nominated by local jurisdictions through their five-year Capital Project Needs Analysis. If nominations exceed the available funding, SANBAG shall allocate funds to sponsors of the nominated projects in order of project priority pursuant to the grade separation prioritization table in the most recent version of the Development Mitigation Nexus Study. (Note: table to be provided in the Spring 2009 update of the Nexus Study.) Fund allocation shall anticipate the Measure I public share costs in subsequent years for a project so that the intent of Policy VMS-5 below can be achieved. Funding for initial phases of projects lower on the prioritized list may be deferred depending on the outcome of the annual cash flow analysis. Timely funding through construction of projects that have already received initial allocations shall receive highest priority, even if the nominations are less than available funding for any given year.

Policy VMS-5: Allocations to a Valley rail-highway grade separation project shall be limited to the current phase of the project. However, an allocation of funds to the Project Approval and Environmental Documentation (PA&ED) phase or to a subsequent phase prior to construction shall represent a commitment by SANBAG to timely funding of the public share of the project through construction, subject to the availability of Measure I, State, and federal funds.

B. Rail-Highway Grade Separation Sub-program - Cost Reimbursement

Policy VMS-6: The Valley Rail-Highway Grade Separation Sub-program shall be administered as a cost reimbursement program. Sponsoring agencies shall enter into Project Funding Agreements with SANBAG, as specified in Policy 40001, prior to receiving authorization from SANBAG to expend funds. Following the authorization to expend funds, the sponsoring agency may incur expenses for the components of the project identified in the scope of work included in the Funding Agreement.

Policy VMS-7: On an exception basis and subject to SANBAG Board approval, the advanced reimbursement of anticipated expenses may be permissible. Only the right-of-way and construction phases are eligible and are subject to the conditions stated below.

- Right-of-way: Only right-of-way transactions in excess of \$500,000 shall be considered for advance reimbursement. The advanced reimbursement shall be based on an accepted written appraisal or sales contract. Adjustments to this estimate based on actual costs shall be reconciled with SANBAG within 30 days of close of escrow and subject to the provisions governing right-of-way purchase established in Policy VMS-25.
- Construction: The advanced reimbursement shall be based on an awarded construction contract in excess of \$10,000,000. The amount to be advanced to the local jurisdiction shall not be greater than 10% of the public share of total project cost or of three months estimated peak burn rate for the project, whichever is less. The advanced reimbursement shall be used to help provide liquidity to the local jurisdiction for payment to the contractor and shall be reconciled at the end of the construction phase of the project. SANBAG shall reimburse jurisdiction invoices, in addition to the advanced reimbursement amount, until the public share amount remaining in the contract is

equivalent to the advanced reimbursement, after which the advanced reimbursement shall satisfy SANBAG reimbursement requirements.

C. Rail-Highway Grade Separation Sub-program – Local Jurisdiction Invoices

Policy VMS-8: Local jurisdictions shall submit invoices to SANBAG for actual expenditures incurred for components of a grade separation project as identified in the scope of work included in the Funding Agreement. Invoices may be submitted to SANBAG as frequently as monthly.

Policy VMS-9: Local jurisdictions shall provide adequate documentation to substantiate the costs included in the invoice. At a minimum, the jurisdiction must submit the invoice provided by the contractor to the agency, which shall include unit costs, quantities, labor rates and other documentation, as appropriate, to substantiate expenses incurred by the contractor.

Policy VMS-10: The sponsoring agency shall be reimbursed for the actual project costs minus the development share documented in the SANBAG Development Mitigation Nexus Study.

D. Rail-Highway Grade Separation Sub-program - Local Jurisdiction Reimbursement Schedule

Policy VMS-11: SANBAG shall reimburse the local jurisdiction for eligible expenditures within 30 days of receiving a complete and satisfactory invoice package as described in Policy VMS-9.

E. Rail-Highway Grade Separation Sub-program Eligible Projects

Policy VMS-12: Valley rail-highway grade separation projects included within the SANBAG Development Mitigation Nexus Study, as periodically updated, are the only projects eligible to be funded by the Valley Rail-Highway Grade Separation Sub-program.

Policy VMS-13: No new project shall be added to the Valley Rail-Highway Grade Separation Project List included in the Nexus Study unless the sponsoring agency can provide a comparable reduction in the public share cost, either by eliminating another grade separation project of comparable cost or increasing the fair share collection so as to avoid a net increase in public share cost, as adjusted for inflation.

F. Rail-Highway Grade Separation Sub-program - Prioritization

Policy VMS-14: Valley Rail-Highway Grade Separation Sub-program funding, if available, shall be allocated to projects nominated by local jurisdiction sponsors and in accordance with the prioritization list included in the most recent version of the Development Mitigation Nexus Study. (Note: table to be provided in the Spring 2009 update of the Nexus Study.) . Nominations by sponsoring agencies occur through inclusion of the candidate project in the sponsor's five-year CPNA for the year of the requested allocation.

Policy VMS-15: The Valley Rail-Highway Grade Separation Sub-program prioritization list shall be updated every two years, in conjunction with updates of the Nexus Study.

Policy VMS-16: A local jurisdiction may begin expenditure of funds following the execution of a Project Funding Agreement, which shall include the scope of work of a project or project phase and a commitment to provide the development share of the funding through all the phases of the project. The Funding Agreement shall be executed by the local jurisdiction and SANBAG prior to the expenditure of funding on any phase of the project. Local jurisdictions shall not be reimbursed for any costs incurred prior to the execution of the Funding Agreement.

Policy VMS-17: Local jurisdictions that desire to deliver a Valley Rail-Highway Grade Separation Sub-program project to which funds cannot be allocated in a given year shall be eligible for reimbursement through the Advanced Expenditure process outlined in Policy 40002.

G. Rail-Highway Grade Separation Sub-program - Development Mitigation Fair Share Loans and Loan Repayment

Policy VMS-18: On an exception basis, project sponsors may request loans from SANBAG for the development share to facilitate project delivery. Any such loan is subject to approval by the SANBAG Board of Directors. Approved loans of Measure I to cover a development mitigation fair share requirement shall be subject to the following terms to avoid disadvantage to other jurisdictions:

- Repayment shall include interest equivalent to the annual yield for the most recent fiscal year for the Local Agency Investment Fund (LAIF).
- The repayment term shall be based on a fixed-term repayment schedule established within the loan agreement. No loan shall be granted a repayment period greater than 10 years.

- Failure to make payments consistent with the terms of the loan agreement will result in the jurisdiction's loss of access to new allocations of Measure I 2010-2040 Valley Major Street and Valley Freeway Interchange Program funds until payments are brought back to a level consistent with the terms of the loan agreement.
- SANBAG reserves the right to audit local jurisdiction development mitigation accounts to verify development fee collections used as the basis of loan repayment.

Policy VMS-19: Jurisdictions may borrow from other internal accounts (i.e. within their own jurisdictions) to fund the development share for projects. The internal accounts shall be reimbursed by development mitigation as development occurs.

H. Rail-Highway Grade Separation Sub-program - Development Mitigation Fair Share Credit Agreements

Policy VMS-20: Local jurisdictions and developers shall be allowed to enter into credit agreements or other arrangements for developer provision of roadway improvements approved by the City Council/Board of Supervisors. Such agreements shall be strictly between the local jurisdiction and the developer. Jurisdictions are advised to provide for SANBAG review of credit agreements or other arrangement to ensure they are structured in a way that will adequately document private share costs for which the jurisdiction desires credit.

Policy VMS-21: A copy of the credit agreement or other developer credit documentation and invoices to substantiate quantities and unit costs for developer work on a Nexus Study project shall be provided when a local jurisdiction submits an invoice for reimbursement.

Policy VMS-22: Local jurisdictions that submit an invoice involving a credit agreement or other arrangement for developer provision of roadway improvements shall separate the development mitigation portion of construction costs from any non-development mitigation portion of the development project in a verifiable fashion.

Policy VMS-23: Reimbursement shall occur for only the public share of the Nexus Study project costs.

I. Rail-Highway Grade Separation Sub-program - Eligible Expenditures

Policy VMS-24: Eligible Valley Rail-Highway Grade Separation Sub-program expenditures shall include the costs for project phases of any Valley grade separation project included in the SANBAG Nexus Study and as specifically documented in the Funding Agreement.

Policy VMS-25: The following costs are ineligible for reimbursement from the Valley Rail-Highway Grade Separation Sub-program:

- Additional environmental or architectural enhancement not required as part of the mitigation pursuant to the approved environmental document(s) for the project.
- Project oversight costs, with the exception of construction support costs.
- Property acquired through the right-of-way acquisition process that is not required for the actual construction of a project. SANBAG will either:
 1. Reimburse the jurisdiction for the public share of the portion of the property acquisition required for the project, with the "project portion" calculated as the sales price times the percentage of the acreage actually required for the project, or
 2. At the request of the jurisdiction, reimburse based on the difference between the total sales price of the parcel and the residual value of the excess land not needed for the construction of the project, as determined by a qualified appraisal.
- Additional project scope not included in the Funding Agreement between the sponsoring agency and SANBAG, except when SANBAG and the local agency mutually agree to a project scope change and amend the Project Funding Agreement.

J. Rail-Highway Grade Separation Sub-program - Construction Cost Overruns

Policy VMS-26: Jurisdictions shall bear full responsibility for construction cost overruns, which are defined as any amount in excess of the total cost of the accepted bid and contingencies up to 10% of the construction bid. On an exception basis, SANBAG and the local jurisdiction may agree to the modification of the project scope, and the jurisdiction may be reimbursed for the public share of the

additional costs pursuant to an amendment to the Project Funding Agreement. The private share of any cost overrun or project cost increment associated with a project shall be shared by all jurisdictions responsible for the project at the rates identified in the Nexus Study.

K. SANBAG Project Management for Rail-Highway Grade Separation Sub-program Projects

Policy VMS-27: Management of projects in the Rail-Highway Grade Separation Sub-program projects shall be the responsibility of local jurisdictions. However, SANBAG, at the option of the Board of Directors, may assume project management responsibilities for a Rail-Highway Grade Separation project under one or more of the following conditions:

- The public share percentage of the project is greater than 50%.
- Where federal or State funds with delivery time constraints have been secured for the project, where the funds would be withdrawn if the time constraints are not met, and where the withdrawal of funds would increase the amount of other public share funds needed to fund the project. Alternatively, a local jurisdiction may assume the lead if it agrees to be responsible for the loss of any federal or State funds withdrawn as a result of not meeting the time constraints.

The existence of any of the above conditions shall not obligate SANBAG to manage the project.

Policy VMS-28: For projects subject to SANBAG project management pursuant to Policy VMS-27, project management costs shall be included as part of the project cost and the costs will be distributed per the public and private share percentages established by the Nexus Study.

Policy VMS-29: Local jurisdictions may request that SANBAG manage grade separation projects for which SANBAG does not opt to assume project management responsibilities under Policy VMS-27. SANBAG may agree to assume management responsibilities under the following conditions:

- The sponsoring agency must provide a written request for SANBAG management of the grade separation project.
- SANBAG determines that it has available staff or consultant resources to manage the project.
- The request is approved by the SANBAG Board.

Subject to these conditions, a cooperative agreement specifying management services must be approved by the city council/Board of Supervisors representing the agency sponsoring the project, and the SANBAG Board.

Policy VMS-30: For projects subject to SANBAG project management pursuant to Policy VMS-27, local jurisdictions shall pay 100% of actual SANBAG project management costs, to be estimated in advance by SANBAG.

VI. POLICIES FOR THE VALLEY MAJOR STREET PROGRAM – ARTERIAL SUB-PROGRAM

A. Arterial Sub-program - Allocation of Measure I 2010-2040 Funding

Policy VMS-31: An equitable share percentage of Arterial Sub-program funds shall be guaranteed to each jurisdiction over the 30-year life of the Measure, subject to the qualifications stated in the policies below. The equitable share percentages shall be based on the Development Mitigation Nexus Study update approved by the SANBAG Board in November 2007 and provided for reference in Part 1 of the Strategic Plan, Section IV.B.6.

Policy VMS-32: The SANBAG Board shall apportion Measure I dollars to the Arterial Sub-program and to Valley jurisdictions, based on the equitable share percentages for arterial projects in Table IV-4 in Part 1 of the Strategic Plan. SANBAG staff shall maintain a cumulative accounting of jurisdiction apportionments, adding new apportionments to jurisdictions' accounts each year. Measure I funds shall be retained by SANBAG until reimbursed to jurisdictions based on invoices received.

Policy VMS-33: Equitable shares may be adjusted based on annexation of unincorporated areas into a city. SANBAG shall recalculate the equitable shares based on the redistribution of growth between the base year (2004) and the forecast year (2030). The adjustment shall be approved by the SANBAG Board and included in an amendment to the Development Mitigation Nexus Study.

Policy VMS-34: Each annual apportionment of Measure I dollars to a jurisdiction shall be split into reserved and unreserved portions. The reserved portion shall equal the development fair share percentage of the apportioned amount.

Policy VMS-35: SANBAG shall make time-value of money adjustments to ensure that each jurisdiction receives its equitable share of Measure I arterial subprogram funding, regardless of whether it delivers its projects early or later in the 2010-2040 period. The adjustments shall be made in accordance with Policy 40001.

Policy VMS-36: Borrowing may be authorized by the SANBAG Board from the unused portion of jurisdiction accounts to deliver projects in other Valley programs or to reimburse another jurisdiction for early delivery of Major Street Program projects.

- Borrowing to fund projects in another jurisdiction shall be limited such that no jurisdiction gets more than five years ahead of its projected equitable share.
- This cap shall be reduced in the last 10 years of Measure I 2010-2040 to ensure that equitable shares are achieved by 2040.
- SANBAG shall be responsible for ensuring that the borrowing of apportionments does not jeopardize the timely reimbursement of expenditures for any of the Valley jurisdictions that have sufficient apportionments to fund their projects.

B. Arterial Sub-program – Jurisdiction Master Agreement

Policy VMS-37: A Jurisdiction Master Agreement shall be executed between SANBAG and each local jurisdiction in the Valley documenting the procedures to be employed in implementing the Valley Arterial Sub-program. The agreement shall also include information such as project eligibility criteria, apportionment process, equitable share percentages, invoicing procedures, reimbursement commitments, and rights of SANBAG to audit local jurisdiction transactions and accounts associated with the expenditure of Arterial Sub-program funds and development mitigation accounts.

Policy VMS-38: The Jurisdiction Master Agreement shall reference the table of local jurisdiction cumulative apportionments to be approved by the SANBAG Board in approximately January of each year.

C. Arterial Sub-program - Cost Reimbursement

Policy VMS-39: Jurisdictions may access Measure I revenue available in both the reserved and unreserved portions of their account by submitting project expenditure invoices to SANBAG, subject to the Jurisdiction Master Agreement and to the additional policies stated below.

Policy VMS-40: The reserved portion of a jurisdiction's account may be accessed (i.e. reimbursed to a jurisdiction) on a 1:1 basis as development dollars are expended on projects, up to the cumulative apportionment in jurisdiction accounts. Thus, the entire reserved portion of the account may be accessed if an equivalent expenditure occurs from development contributions.

Policy VMS-41: The unreserved portion may be accessed without a development mitigation requirement, up to the current apportionment limit, by submitting invoices for actual project expenditures to SANBAG

Policy VMS-42: SANBAG shall maintain ongoing documentation of cumulative apportionments for reserved and unreserved accounts for each jurisdiction, expenditures that have drawn down those accounts, and current account balances. The information shall be reported annually to the appropriate policy and technical committees and shall be available to jurisdictions on a request basis.

Policy VMS-43: On an exception basis and subject to SANBAG Board approval, the advanced reimbursement of anticipated expenses may be permissible. Only the right-of-way and construction phases are eligible and are subject to the conditions stated below.

- Right-of-way: Only right-of-way transactions in excess of \$500,000 shall be considered for advance reimbursement. The advanced reimbursement shall be based on an accepted written appraisal or sales contract. Adjustments to this estimate based on actual costs shall be reconciled with SANBAG within 30 days of close of escrow and subject to the provisions governing right-of-way purchase established in Policy VMS-50.
- Construction: The advanced reimbursement shall be based on an awarded construction contract in excess of \$5,000,000. The amount to be advanced to the local jurisdiction shall not be greater than 10% of the public share of total project cost or of three months estimated peak burn rate for the

project, whichever is less. The advanced reimbursement shall be used to help provide liquidity to the local jurisdiction for payment to the contractor and shall be reconciled at the end of the construction phase of the project. SANBAG shall reimburse jurisdiction invoices, in addition to the advanced reimbursement amount, until the public share amount remaining in the contract is equivalent to the advanced reimbursement, after which the advanced reimbursement shall satisfy SANBAG reimbursement requirements.

Policy VMS-44: The advance expenditure process referenced in Policy 40002 allows jurisdictions to expend funds in excess of their cumulative apportionment, with delayed reimbursement. The public share of advance expenditures shall be reimbursed when future apportionments are authorized. Access to unreserved and reserved accounts shall be tracked separately.

D. Arterial Sub-program – Local Jurisdiction Reimbursement

Policy VMS-45: Local jurisdictions may submit invoices to SANBAG for actual expenditures incurred for components of any arterial project listed within the first two years of their current CPNA. Invoices may be submitted to SANBAG as frequently as monthly.

Policy VMS-46: Local jurisdictions shall provide adequate documentation to substantiate the costs included in the invoice. At a minimum, the jurisdiction must submit the invoice provided by the contractor/consultant, which shall include unit costs, quantities, labor rates, and other documentation, as appropriate, to substantiate expenses incurred by the contractor/consultant.

Policy VMS-47: Local jurisdictions shall be reimbursed for the actual project costs minus the development share documented in the SANBAG Development Mitigation Nexus Study.

Policy VMS-48: SANBAG shall reimburse local jurisdictions for eligible expenditures within 30 days of receiving a complete and satisfactory invoice package, which shall include all backup and support materials required to substantiate the expenditures.

E. Arterial Sub-program - Eligible Expenditures

Policy VMS-49: Eligible Arterial Sub-program expenditures shall include the costs for project phases of any Valley arterial project included in the SANBAG Nexus Study. Construction of off-roadway bicycle facilities is an eligible expense if they benefit safety or traffic flow on a Nexus Study roadway and are included in the Nexus Study arterial project list used for development mitigation. The local share for such a bicycle facility shall be the same as the local share for arterials in that jurisdiction.

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Policy VMS-50: The following costs are ineligible for reimbursement from the Arterial Sub-program:

- Additional environmental or architectural enhancement not required as part of the mitigation established in the environmental document(s) prepared for a project.
- Project oversight costs in excess of 2% of the cumulative invoice amount, with the exception of construction support costs. Project oversight costs for in-house or consultant staff must be included in the Nexus Study project costs and be supported by the necessary documentation in the invoice package.
- Property acquired through the right-of-way acquisition process that is not required for the actual construction of a project. SANBAG will either:
 1. Reimburse the jurisdiction for the public share of the portion of the property acquisition required for the project, with the “project portion” calculated as the sales price times times the percentage of the acreage actually required for the project, or
 2. At the request of the jurisdiction, reimburse based on the difference between the total sales price of the parcel and the residual value of the excess land not needed for the construction of the project, as determined by a qualified appraisal.
- Additional project scope not included in the Project Funding Agreement between the sponsoring agency and SANBAG, except when SANBAG and the local agency mutually agree to a project scope change and amend the Project Funding Agreement.

Policy VMS- 51: SANBAG shall not reimburse a jurisdiction for expenditures on projects that are not listed in the Nexus Study or the local jurisdiction development impact fee plan.

Policy VMS-52: SANBAG shall reimburse jurisdictions for the public share of eligible project expenses, including reimbursement requested for costs in excess of prior cost estimates, up to the jurisdiction's current apportionment limit. All expenditures, including any overrun amounts shall be included as part of the equitable share calculation for the responsible jurisdiction.

F. Arterial Sub-program - Development Mitigation Fair Share Loans and Loan Repayment

Policy VMS-53: Jurisdictions may borrow from other internal accounts (i.e. within their own jurisdictions) to fund the development share for projects. The internal accounts shall be reimbursed by development mitigation as development occurs.

Policy VMS-54: On an exception basis, project sponsors may request loans from SANBAG for the development contribution to facilitate project delivery. Any such loan is subject to approval by the SANBAG Board of Directors on a case-by-case basis after a risk assessment and a complete analysis of the impact of the proposed loan on the jurisdiction's Equitable Share. A loan agreement, separate from any other cooperative agreement or funding agreement, shall be approved by the jurisdiction City Council/Board of Supervisors and SANBAG Board of Directors detailing agreement terms. The following set of options for development share loans from SANBAG may be considered by the SANBAG Board:

1. Loans from a jurisdiction's Measure I Local Street Program funds (no bonding) - Allow loans for up to 2/3 of the development share (local share) from a jurisdiction's Measure I Local Street Program "pass-through" funds, with a commitment by the jurisdiction to reimburse the Measure I Local Street Program account with Development Impact Fee (DIF) funds as they are collected or with other legally appropriate non-Measure I funds. Other legally appropriate funds could include proceeds from a Community Facilities District (CFD) or other development-based sources (note: when DIF funds are referenced elsewhere in this policy, this implies other legally appropriate non-Measure I funds as well). This option assumes no bonding is required, i.e. cash flow in the jurisdiction's Local Street Program is sufficient to cover up to 2/3 of local share costs. Conditions for receipt of a loan under this option include:

a. Local pass-through funds would be transferred by the jurisdiction to the jurisdiction's DIF fund as an internal loan to pay up to 2/3 of the local share of project invoices. The jurisdiction would need to provide the other 1/3 in cash, as needed for project expenses, from either DIF funds or their own internal loans from other sources.

b. A maximum 10-year term, beginning at the completion of project construction, would be identified for DIF funds to replenish the local pass-through account. The first annual payment would be no later than the end of construction.

c. 100 percent of the jurisdiction's Nexus Study portion of DIF funds not previously committed to projects (or to funding the other 1/3 of the local share) would need to be committed to repayment of the loan by a transfer to the jurisdiction's local pass-through fund.

d. No interest would be charged.

e. SANBAG would monitor the repayment of the loan through the annual audit process, and the annual development mitigation report provided to SANBAG. Records of the transfer of funds to and from the jurisdiction's DIF fund and the Local Street pass-through fund must be attached to the development mitigation report and will be subject to SANBAG audits of the Local Street Program.

f. The jurisdiction would need to show the use of the loan funds, its repayment plan, and the use of the funds repaid to the local pass-through fund in its 5-Year Measure I Capital Improvement Plan (CIP). Repaid funds must be used in accordance with the Measure I Local Street Program.

g. If the jurisdiction has not repaid the pass-through funds by the end of the term, the term would need to be renegotiated. The jurisdiction would need to continue to repay the loan until it is retired. If full repayment does not occur by the end of Measure I 2010-2040, (i.e. because insufficient DIF funds are collected) the loan obligation will be considered fulfilled.

h. In addition to the 2/3 cap on the local share portion to be covered by the loan, a limit on percentage of local pass-through funds may need to be set on a case-by-case basis as a potential hedge against Measure I revenue being lower than forecast.

Deleted: Loans for development share not be available from SANBAG for projects under the Arterial Sub-program.

- i. Any additional cost of administration of the loan incurred by SANBAG may be included as a cost to be borne by the jurisdiction and may be included in the loan.
2. Loans from a jurisdiction's arterial portion of Measure I Major Street Program funds (no bonding) - Allow loans for up to 2/3 of the local share from a jurisdiction's Measure I Major Street/Arterial Program equitable share with a commitment to reimburse the Major Street/Arterial Program account with DIF funds as they are collected, or other legally appropriate non-Measure I funds. This option assumes that no bonding is required, i.e. cash flow in the jurisdiction's arterial portion of the Major Street Program is sufficient to cover up to 2/3 of local share costs. Conditions for receipt of a loan under this option include:
- a. Funds from the Major Street/Arterial Program would be eligible to pay up to 2/3 of the local share of project invoices immediately after the initiation of work activities on the arterial project. The jurisdiction would need to provide the other 1/3 in cash, as needed for project expenses, from either DIF funds or their own internal loans.
- b. A maximum 10-year term, beginning at the completion of project construction, would be identified for DIF funds to replenish the arterial account. The first annual payment would be no later than the end of construction.
- c. 100 percent of the jurisdiction's Nexus Study portion of DIF funds not previously committed to projects (or to funding the other 1/3 of the local share) would need to be committed to repayment of the loan.
- d. No interest would be charged.
- e. SANBAG would monitor repayment of the loan through the annual audit process and the annual development mitigation report.
- f. The jurisdiction would need to show the use of the loan funds, its repayment plan, and the use of the funds repaid to the arterial fund in its 5-Year Measure I Capital Project Needs Analysis (CPNA). Repaid funds must be used in accordance with the Measure I Major Street Program.
- g. If the jurisdiction has not repaid the arterial funds by the end of the term, the term would need to be renegotiated. The jurisdiction would need to continue to repay the loan until it is retired. If it becomes clear that full repayment will not occur by the end of Measure I 2010-2040, (i.e. because insufficient DIF funds are collected) the loan obligation would be considered fulfilled.
- h. In addition to the 2/3 cap on the local share portion to be covered by the loan, a limit on percentage of arterial funds may need to be set on a case-by-case basis. The reason for this would be as a potential hedge against Measure I revenue being lower than forecast.
- i. Any additional cost of administration of the loan incurred by SANBAG may be included as a cost to be borne by the jurisdiction and may be included in the loan.
3. Combination of 1 and 2 - Allow a combination of option 1 and option 2 as sources of funding for a local share loan for an arterial project. The terms would be consistent with the terms specified in each of the two options and negotiated on a case-by-case basis.
4. Short-term cash loan from SANBAG - Allow a short-term cash loan for up to 2/3 of the local share that would be made available from SANBAG, with a fixed term and an interest rate premium (i.e. 5 year maximum term; Local Agency Investment Fund (LAIF) interest rate plus 3%). This would be conditioned on SANBAG having cash flow available and there being no risk of delay to other SANBAG projects. The cash loan could only be utilized for the PA&ED and Design phases of the arterial project. The jurisdiction would be in default if it fails to maintain payments, and SANBAG would be given the authority to invoke the terms of options 1, 2, or 3 to make those payments.
5. Bonding against a jurisdiction's Local Street Program funds - Allow for a jurisdiction to bond for up to 2/3 of the local share against its Measure I Local Street Program "pass-through" funds, with the debt service to be paid by those funds. DIF funds would reimburse the jurisdiction's Local Street account as they are collected, and the additional Local Street funds could be expended on other projects in the jurisdiction's Measure I Local Street Capital Improvement Plan.
- a. The bond issue could be:

- i. Coordinated with another SANBAG bond issue, in which case SANBAG would make debt service payments from the jurisdiction's Local Street account before sending the remaining funds to the jurisdiction. The jurisdiction would then reimburse SANBAG for their Local Street funds with DIF funds as they are collected, and SANBAG would release a comparable amount of Local Street funds back to the jurisdiction for other projects, or
- ii. Arranged independently by the jurisdiction, with the debt service paid directly by Local Street funds the jurisdiction receives from SANBAG. In this case, the loan would be internal to the jurisdiction. The CIP would document the loan, and auditing of the Local Street account would track the loan repayment.
- b. If full repayment of the Local Street account does not occur by the end of Measure I 2010-2040, (i.e. insufficient DIF funds are collected) the repayment obligation to the Local Street account will be considered fulfilled. This is considered consistent with Measure I, given that Measure I funds will not have replaced the development contribution if development has not occurred.
- SANBAG reserves the right to audit local jurisdiction development mitigation accounts to verify development fee collections used as the basis of loan repayment.

G. Arterial Sub-program - Development Mitigation Fair Share Credit Agreements

Policy VMS-55: Local jurisdictions and developers shall be allowed to enter into credit agreements or other arrangements for developer provision of roadway improvements approved by the City Council/Board of Supervisors. Such agreements shall be strictly between the local jurisdiction and the developer.

Policy VMS-56: A copy of the credit agreement or other developer credit documentation and invoices to substantiate quantities and unit costs for developer work on a Nexus Study project shall be provided when a local jurisdiction submits an invoice for reimbursement.

Policy VMS-57: Local jurisdictions that submit an invoice involving a credit agreement or other arrangement for developer provision of roadway improvements shall separate the development mitigation portion of construction costs from any non-development mitigation portion of the development project in a verifiable fashion.

Policy VMS-58: Reimbursement shall occur for only the public share of the Nexus Study project costs.

VII. REVISION HISTORY

Revision No.	Revisions	Adopted
0	Adopted by the Board of Directors.	04/01/2009
1	Par. IV: Revisions to Policy VMS-2 and Policy VMS-3 – revises the apportionments to the Rail-Highway Grade Separation sub-program and the Arterial sub-program.	01/04/2012
<u>2</u>	<u>Par. IV: Revisions to Policy VMS-49 and VMS-54 – adds language referencing eligibility of the construction of off-roadway bicycle facilities and provides for a development share loan program for arterial projects in the Valley Major Street Program.</u>	<u>(Scheduled for 2/4/2015)</u>



MONTCLAIR

RECEIVED

APR 23 2014

**SAN BERNARDINO
ASSOCIATED**

April 17, 2014

Mr. Steve Smith
Director of Planning
SANBAG
1170 W. 3rd Street, 2nd Floor
San Bernardino, CA 92410-1715

RE: Measure I Expenditure Plan Comments

Dear Mr. Smith:

As a life-time resident of San Bernardino County, 16-year member of the Montclair City Council, and a local businessman, I am writing to request that the Measure I Expenditure Plan be amended as soon as possible to address the likelihood that the Foothill Gold Line between Azusa and Montclair will be funded for construction through Los Angeles County before the next review period in 2017-18. This is a critical issue that must be addressed in the coming months or else we may have to sacrifice the inclusion of San Bernardino County in this next segment of the Gold Line light rail system - possibly resulting in the line terminating well west of San Bernardino County. I believe this would be a tremendous lost opportunity for our county, and leave a Measure I promise and commitment unfulfilled.

The Foothill Gold Line Construction Authority will begin the two-year advanced conceptual engineering work for the 12.3-mile light rail extension later this year. They will be ready to advance to a design-build construction process in 2017 (with a four-year anticipated construction completion schedule). This schedule anticipates the likely scenario that the Los Angeles County Metropolitan Transportation Authority (Metro) will go back to county voters in November 2016 with either an extension of the Measure R ½-cent sales tax or a new tax for transportation improvements. Either way, according to Metro staff reports and recent Metro board member comments, the completion of the Foothill Gold Line to the county line will be included in any future tax. San Bernardino County must be ready.

The current Expenditure Plan anticipates only \$4 million for the Foothill Gold Line to Montclair project, for conceptual engineering work. It does not anticipate the reality of the project moving forward to final design, construction and operations in the next seven years. I urge the board to update the Expenditure Plan to anticipate this reality.

In the February 2014 Rail Priorities staff report, staff provided the attached (Table 1) estimated capital and operations revenue and cost table for the SB Valley Subarea. This table shows the appropriate capital cost for the extension of the Gold Line to the

CITY OF MONTCLAIR

5111 Benito Street, P.O. Box 2308, Montclair, CA 91763 (909) 626-8571 FAX (909) 621-1584

Mayor Paul M. Eaton • Mayor Pro Tem Bill Ruh • Council Members: Leonard Paulitz, Carolyn Raft, J. John Dutrey • City Manager Edward C. Starr

BRD1407a1-ss

Mr. Steve Smith
April 17, 2014
Page 2

Montclair Trans Center, as well as showing an anticipated operating cost; however the timeline for those expenditures will likely need to be expedited based on the reality of Los Angeles County's future tax. I am unclear why Table 1 also includes \$680 million in capital and operating costs for the Foothill Gold Line from Montclair to the Ontario Airport, when that project is not in the Measure I program or in SANBAG's current Interim Long Range Transit Plan . Inclusion of the Ontario Airport extension project results in a nearly \$400 million deficit for the Measure I program, which should be eliminated until county voters or SANBAG identify the project for funding. As much as I support the Ontario Airport Extension of the Gold Line, I do not want that future project to compromise the possibility of the Foothill Gold Line getting to Montclair in the near term. SANBAG's financial models should be revised accordingly to better address the true revenue/cost for the Valley's rail priority projects, allowing for the necessary construction and operations dollars for the Montclair Extension.

I therefore strongly request that the SANBAG board amend the Measure I Expenditure Plan to allow for the necessary construction and operations funding for the Foothill Gold Line to Montclair starting in FY2017, contingent on Los Angeles County providing their majority funding for the project. Please do not let the significant benefit that the Gold Line will bring to our residents and workers, local economy, and our environment get away from us by not making this important change.

Truly yours,



Bill Ruh,
Councilman
City of Montclair

Attachment

Table 1 - Fiscal Years 2014-2040 Estimated Rail Capital & Operations Revenue and Costs

Estimated Revenue Source ¹	Eligible Use	Fiscal Years				Total Capital Funding	Total Operations Funding	Total Capital/Operations Funding	Total Combined Funding
		2014-2023	2024-2030	2031-2040	2014-2040				
FTA Formula ²	Capital	\$ 151,062,644	\$ 90,580,477	\$ 129,543,540	\$ 371,286,661			\$ 371,286,661	
Federal Congestion Mitigation and Air Quality ³	Capital	\$ 40,866,000	\$ -	\$ 40,000,000	\$ 80,866,000			\$ 80,866,000	
State Proposition 1B	Capital	\$ 24,500,178	\$ -	\$ -	\$ 24,500,178			\$ 24,500,178	
Local Measure I Senior & Disabled	Capital	\$ 17,521,105	\$ 20,241,574	\$ 56,542,206	\$ 94,304,885			\$ 94,304,885	
Local Valley State Transit Assistance Funds	Capital/Operations ⁴	\$ 70,838,394	\$ 47,170,543	\$ 67,386,490	\$ 147,355,819		\$ 38,039,608	\$ 185,395,427	
Local Measure I Valley Metrolink and Passenger Rail	Capital/Operations	\$ 95,012,831	\$ 88,459,759	\$ 162,768,209			\$ 346,240,799	\$ 441,259,608	
Local Rail Assets	Capital/Operations	\$ 2,000,000	\$ 1,400,000	\$ 2,000,000			\$ 5,400,000	\$ 5,400,000	
Local Valley Local Transportation Funds ⁵	Operations	\$ 121,060,916	\$ 109,963,997	\$ 212,861,500	\$ 443,886,403		\$ 481,926,011	\$ 925,812,414	
Total Estimated Revenue		\$ 522,862,069	\$ 357,916,339	\$ 671,101,944	\$ 718,313,543		\$ 351,640,799	\$ 1,551,880,352	

Estimated Costs ⁶	Type	Fiscal Years				Capital Needs	Operations Needs	Total Combined Needs	Estimated Difference between Revenue and Costs
		2014-2023	2024-2030	2031-2040	2014-2040				
Redlands Passenger Rail Implementation ⁷	Capital	\$ 240,400,000	\$ -	\$ -	\$ 240,400,000		\$ 240,400,000	\$ -	
Redlands Passenger Rail O&M ⁸	Operations	\$ 6,753,053	\$ 53,297,364	\$ 98,068,506		\$ 158,118,923	\$ 158,118,923	\$ -	
Gold Line Extension to Montclair Implementation	Capital	\$ 2,100,000	\$ 523,900,000	\$ -	\$ 526,000,000		\$ 526,000,000	\$ -	
Gold Line Extension to Montclair O&M ⁹	Operations	\$ -	\$ -	\$ 30,000,000		\$ 30,000,000	\$ 30,000,000	\$ -	
Gold Line Extension to Ontario Airport Implementation	Capital	\$ -	\$ 450,000,000	\$ -	\$ 450,000,000		\$ 450,000,000	\$ -	
Gold Line Extension to Ontario Airport O&M ¹⁰	Operations	\$ -	\$ -	\$ 230,000,000		\$ 230,000,000	\$ 230,000,000	\$ -	
Metrolink SB Line Double Tracking (1 segment) Implementation	Capital	\$ 2,000,000	\$ 662,000,000	\$ -	\$ 664,000,000		\$ 664,000,000	\$ -	
Metrolink SB Line Double Tracking (1 segment) O&M ¹¹	Operations	\$ -	\$ -	\$ 10,000,000		\$ 10,000,000	\$ 10,000,000	\$ -	
Metrolink Capital Subsidy ¹²	Capital	\$ 81,677,242	\$ 56,000,000	\$ 80,000,000	\$ 217,677,242		\$ 217,677,242	\$ -	
Metrolink Operations Subsidy ¹³	Operations	\$ 131,169,707	\$ 117,826,380	\$ 216,803,540	\$ 465,799,627		\$ 465,799,627	\$ -	
Downtown San Bernardino Passenger Rail O&M ¹⁴	Operations	\$ 4,291,485	\$ 4,355,224	\$ 7,368,441		\$ 16,015,150	\$ 16,015,150	\$ -	
Total Estimated Costs		\$ 468,391,487	\$ 796,378,967	\$ 672,240,488	\$ 1,027,077,242		\$ 909,933,700	\$ 1,937,010,942	

- Notes:
1. Within in each funding source there may be additional funding eligibility requirements. Federal funds, Proposition 1B funds and State Transit Assistance Funds are not escalated. LTF and Measure I are escalated annually at 3%. Rail Assets is held at \$200,000/year. This analysis does not include any bonding.
 2. FTA Formula Funds allocated specifically to the Los Angeles (LA) and San Bernardino (SB) Urbanized Areas (UZA). LA UZA funds must be in areas east of Fontana, SB UZA funds must be in areas east of Fontana and areas to the east.
 3. Congestion Mitigation and Air Quality funds may be used to fund the first 3 years of new service operation costs. SANBAG's practice has been to use CMAQ for Capital expenses.
 4. Capital/Operations indicates that both Capital and Operations are eligible uses of the fund source.
 5. During the Omnitrans COA process there was a commitment to only use Valley Local Transportation Funds for operations (Omnitrans and Metrolink) after implementation of the Downtown San Bernardino Passenger Rail Project and Transit Center.
 6. Capital Implementation Costs are in current year dollars.
 7. Approximately \$9.6 million has been spent prior to FY2014, the amount here reflects what is remaining to be funded.
 8. Redlands Passenger Rail O&M costs assume O&M starts in FY2023 at an initial cost of \$6.7m/year and a 3% annual escalation rate.
 9. O&M costs for Montclair Extension, Ontario Airport Extension and Double Tracking assume 10 years of O&M and are not escalated.
 10. The estimated cost for Metrolink Capital Subsidy assumes an annual \$8 million contribution held constant through 2040. In addition to the \$8 million/year, the Capital Subsidy includes the \$6 million Retain car repayment.
 11. The estimated cost for Metrolink Operations Subsidy assumes an annual escalation of 3%.
 12. Downtown San Bernardino Passenger Rail O&M costs assume O&M starts in FY2016 at an initial cost of \$500,000 and a 3% annual escalation rate.

March 24, 2014

2010-2040 Measure I Year 2015 Expenditure Plan and Strategic Plan
City of Ontario Amendments to be Considered

Strategic Plan Policy	Description	Existing Policy	Recommended Change
40001, Section IV.I., VS-30	Cost Buy-down for Projects with a Development Share Contribution	Private railroad contributions buy-down the total project cost	Private railroad contributions should buy-down the local development share because they are private funds not traditional transportation funds
40001, Section IV.I., VS-30	Cost Buy-down for Projects with a Development Share Contribution	Not addressed	SCE Rule 20 funds or any other utility funds should be down the local development share.
40005, Section IV. F., VFI-13	Valley Freeway Interchange Prioritization	Projects needed to facilitate delivery of a mainline freeway project shall receive priority over other interchanges and may be initiated by SANBAG but the local development share shall still apply	Interchanges reconstructed or upgraded as part of the managed lanes projects should not require a local development share because the interchange improvement is needed for the managed lane project.
40005, Section IV. L., VFI-35	Project Administrative Costs	Local jurisdictions pay 100% of the project administrative costs when the local jurisdiction requests SANBAG to be the project lead	The administrative costs should be split in accordance with the Valley Freeway Interchange public-private share splits identified in the Nexus Study regardless of whether SANBAG or the local agency is the lead.
40006, Section V. K., VMS-30	Project Administrative Costs	Local jurisdictions pay 100% of the project administrative costs when the local jurisdiction requests SANBAG to be the project lead	The administrative costs should be split in accordance with the Valley Major Streets public-private share splits identified in the Nexus Study regardless of whether SANBAG or the local agency is the lead.
40007	Valley Metrolink/Passenger Rail Program	Policy limits Gold Line expenditures to Montclair only	Should be changed to include the extension to the L.A/Ontario Airport
Additional item related to but not specifically part of the 2015 Expenditure of Strategic Plan update	Valley Express Bus/BRT	-----	Discuss transit priorities especially Omnitrans' Route 61 (Holt Blvd) BRT.

Source: Tom Dann

Steven Smith

From: Saavedra, Melissa <msaavedra@cityofredlands.org>
Sent: Friday, April 04, 2014 3:31 PM
To: Steven Smith
Subject: Measure I Expenditure Plan 2015 - City of Redlands review

Hello Mr. Smith,

The City of Redlands Municipal Utilities and Engineering staff reviewed the 2015 Measure I Expenditure Plan. Staff concurs with the recommendation of the SANBAG Board of Directors that concurred with a recommendation of the City/County Manager Technical Advisory Committee (CCMTAC) that it is premature to entertain amendments to the Expenditure Plan at this time.

Please feel free to contact me if you have any questions.

Thank you,

Melissa Saavedra

Sr. Administrative Technician
City of Redlands
909-798-7527 opt. 6
fax 909-798-7670

Steven Smith

From: Bill Hemsley <BHemsley@Yucaipa.org>
Sent: Thursday, December 05, 2013 12:33 PM
To: Steven Smith
Cc: Ray Casey
Subject: Expenditure Plan Amendments

Hi Steve,

Here are the City of Yucaipa's initial comments on the Expenditure Plan:

1. There should not be an allowance of freeway funding for congestion relief projects on interchanges or arterials. This would impact geographic equity.
2. We should evaluate interchange phasing using economic incentive to the region for building interchanges that will spur growth and not just the amount of current congestion. We should also be taking steps now to avert future congestion in areas that will be developing.
3. There should be some more discussion on what kind of incentives would be provided to those agencies choosing to use phasing at their interchanges.

Steven Smith

From: Brent Merideth <meridethbl@gmail.com>
Sent: Wednesday, March 12, 2014 8:43 AM
To: Steven Smith
Cc: Marven Norman
Subject: Measure I 2010-2040 Ordinance and Expenditure Plan comments

Mr. Smith,

Please dedicate a substantially greater percentage of Measure I funding towards bicycle facilities within the East and West valley areas of San Bernardino County. Bike facilities (often used by pedestrians as well) cost less and employ more people to build, require far less maintenance, improve health, reduce traffic, and reduce GHGs. Yet, even though cyclists have been contributing to Measure I sales tax revenue since its inception, barely any funding is dedicated to these highly beneficial projects. Please help cyclists separate their commute from dangerous vehicular traffic. It has been proven from coast to coast that regions that add more integrated cycling infrastructure have shown an increase in cycling as a mode share. We already have enough automotive-centric roads that we can get nearly anywhere with a car. We cannot say the same with cycling/walking.

Many argue that we shouldn't dedicate funding for facilities dedicated to a mode of transportation that currently records such a low mode share within the region. However, as a father and bicycle commuter who lives in Highland and works in the Tri-Cities area I cannot stress enough how important non-motorized facilities could be to the San Bernardino Valley. The Inland Empire is well within the top ten most dangerous metropolitan areas to walk or ride a bicycle, yet San Bernardino County's current cycling infrastructure is minimal, scattered, and disjointed. If the freeways were modeled even remotely like the current bicycle network they would probably be very lightly utilized. Furthermore, according to HealtySanBernardinoCounty.org the citizens of SBC are in critically poor shape, and in my experience even non-bicycle riders often use bike trails to improve their health. Despite these terrible conditions, I still see other cyclists on my commute every day, yet SANBAG distributes a negligible fraction of Measure I funding to bike facilities. In fact the pot of money from which bicycle funding is derived is mostly spent on signal synchronization, which inherently allows cars to drive faster through intersections thereby putting more cyclists and pedestrians at risk.

Meanwhile, the single act of commuting by bicycle reduces damage to infrastructure, reduces traffic, reduces Greenhouse Gas Emissions, and gives people options for travel. The county of San Bernardino and each of its cities have so much to gain from the development of bike infrastructure, and the benefits begin as soon as construction starts. Studies have confirmed that the installation of bicycle infrastructure employs more people per mile than the installation of automotive infrastructure. Bicycle infrastructure keeps money earned locally in local communities. It provides people who are unable or cannot afford to drive a safe option to do the things they need or want to do. Cities with well-designed bicycle infrastructure tend to be much healthier with lower automobile-related casualty rates than cities or regions with less cycling infrastructure. Children who bike to school perform better. And, developments near commuting trails have been shown nationally to increase home prices by as much as 10%, which is something San Bernardino needs to do to attract a more educated population.

As you know, most road projects within the county do not rely on gas taxes and vehicle registration fees alone. In fact, they barely cover half the cost. Simultaneously, most people who ride bicycles in SBC own and drive vehicles too. They pay Measure I sales taxes, income taxes, and property taxes, and are thus subsidizing each of the 28 current SANBAG and 20 San Bernardino County road projects, which include zero dedicated bicycle infrastructure projects. Bicycle riders deserve to have the ability to make themselves and their environment healthier. Nearly 0% of Measure I funding is mandated to be spent on bicycle facilities, yet cyclists and pedestrians account for a much greater percentage of commuters and fatalities. They deserve to be active without having to dodge cars and trucks on every journey.

I think there are some important multi-agency opportunities being missed within the Inland Empire that encompass multiple cities, important destinations, and large under served populations (i.e. minimal bike facilities, no train and limited bus routes), and deserve recognition in the near term as candidates for the aggressive pursuit of funding via multiple sources, especially from SANBAG Measure I funding. These should include (hopefully not exclusively) 1) Connecting the PE and San Timoteo trails to the SART, 2) Developing the San Bernardino Greenbelt/City Creek/Sand Creek and Midcity Connector trail, and 3) Cajon Lytle Creek trail at a minimum. Each of these contributes to the backbone network that will finally give San Bernardino County residents a viable option other than the car.

Thank you for your consideration. Thank you for reconsidering and re-analyzing how Measure I funding is disbursed. Thank you for allowing the public the opportunity to be heard in this process. Please significantly increase the share of Measure I funding towards dedicated bicycle facilities.

Brent Merideth
Highland

-
- San Bernardino County Transportation Commission
 - San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency
 - Service Authority for Freeway Emergencies
-

Minute Action

AGENDA ITEM: 7

Date: February 11, 2015

Subject:

Revised Combined Notice of Assessment and Payment of Contractual Assessment Required Documents for the HERO Program

Recommendation:

That the General Policy Committee recommend the Board approve the revised and newly combined Notice of Assessment and Payment of Contractual Assessment Required documents for the HERO Program.

Background:

On March 6, 2013, the SANBAG Board of Directors approved the creation of the HERO Program and approved the Program Report and the form of the Notice of Assessment and the Payment of Contractual Assessment Required documents that were to be recorded with each voluntary contractual assessment entered into through the HERO Program. The Notice of Assessment and the Payment of Contractual Assessment Required were two separate documents that needed to be recorded with the county separately with a separate recording fee for each.

Recent legislation (AB 1883 that was signed into law in 2014 and became effective on January 1, 2015) now allows for these two documents to be combined and recorded as a single document. The provisions of the documents are the same but now may be recorded together with one recording fee instead of two. These changes will reduce the administrative costs of the HERO Program and ultimately will benefit the consumer using the program.

Financial Impact:

This item is consistent with the adopted SANBAG Fiscal Year 2014/2015 Budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Duane Baker, Director of Management Services

Approved
General Policy Committee
Date: February 11, 2015

Witnessed By:

Entity: COG

RECORDING REQUESTED BY AND**WHEN RECORDED MAIL TO**

Secretary to Board of Directors
 San Bernardino Associated Governments
 1170 W. 3rd Street
 San Bernardino, CA 92410-1715

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

(This is a voluntary contractual assessment lien pursuant to Streets & Highways Code §5868.30 and recorded pursuant to Sts. & Hy. Code §5898.32. This Notice of Assessment does not create an involuntary lien within the meaning of Government Code §27297.5)

**NOTICE OF ASSESSMENT
 AND
 PAYMENT OF CONTRACTUAL ASSESSMENT REQUIRED**

**SAN BERNARDINO ASSOCIATED GOVERNMENTS
 LIMITED OBLIGATION IMPROVEMENT BONDS
 (SANBAG HERO PROGRAM)**

Pursuant to the requirements of Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code, as amended, commencing with Section 5898.10 (the "Act"), including without limitation Sections 5898.24(d) and 5898.32 of the Act, and in furtherance of Section 1102.6b of the California Civil Code, San Bernardino Associated Governments ("SANBAG"), County of San Bernardino, State of California, hereby provides notice of the levy and collection by SANBAG of a contractual assessment under the SANBAG HERO Program (the "Program"), established and authorized pursuant to the Act.

The Board of Directors of the SANBAG approved a report (the "Program Report") prepared by the Executive Director, in accordance with Sections 5898.22 and 5898.23 of the Act, established the Program to be implemented as provided in the Program Report, confirmed that voluntary contractual assessments may be levied against parcels within the jurisdictions of the member agencies of SANBAG participating in the Program (the "Program Area") within the parameters of the Program Report to finance certain distributed generation renewable energy sources, energy or water efficiency improvements, or electrical vehicle charging infrastructure (the "Improvements").

Pursuant to the requirements of Sections 5898.24(d) and 5898.32 of the Streets and Highways Code, the undersigned Secretary of the Board of Directors of SANBAG, at the direction of such Board of Directors, HEREBY GIVES NOTICE that pursuant to Chapter 29, the Resolution, and the Program Report, as initially approved and as amended to date, that:

1. **Record Owners and Legal Description of Property.** John Smith, the current record owner(s) (the "Record Owners") of the real property described on Exhibit "A" to this Notice, attached hereto and incorporated herein by reference (the "Property"), have entered into an assessment contract with SANBAG (the "Assessment Contract"), a copy of which is contained in Exhibit "C" to this Notice, attached and incorporated herein by this reference. Pursuant to the Assessment Contract and the Act, the Record Owners have requested and voluntarily agreed to SANBAG's imposition of a contractual assessment against the Property

(the "Contractual Assessment"), which is generally collected by the County of San Bernardino, on behalf of SANBAG, through the consolidated property tax bill.

2. **Purpose for Which Funds Will Be Used.** The funds from the Contractual Assessment will finance the acquisition and construction and/or installation on the Property of the renewable energy system(s), energy efficiency and/or water efficiency improvement(s) that are permanently affixed to the Property and identified in the Assessment Contract.

3. **Total and Annual Amount of Contractual Assessment.** Pursuant to the Assessment Contract, SANBAG is making a disbursement in the principal amount of \$_____. (the "Disbursement") to the Record Owners of the Property to finance the acquisition and installation and/or construction on the Property of the Improvements identified in the Assessment Contract. Pursuant to the Assessment Contract, the Record Owners agree that the Property is subject to an assessment levied against the Property pursuant to Chapter 29 in the principal amount of the Disbursement, as provided in the Assessment Contract, together with fees and capitalized interest thereon, for a total Contractual Assessment in the amount of \$_____ as set forth in the payment schedule on Exhibit "B" attached hereto.

4. **Expiration of the Contractual Assessment.** So long as the Assessment is unpaid, the Record Owners agree that the Property is subject to an annual administrative assessment levied against the Property to pay costs of SANBAG which result from the administration and collection of the Assessment and from the administration or registration of any associated bonds or other financing arrangement, as described in the Program Report, and from the administration of any reserve fund and other related funds (the "Annual Administrative Assessment"). The Annual Administrative Assessment shall not exceed the amount authorized pursuant to the HERO Residential Program Handbook.

NOTICE IS FURTHER GIVEN that upon the recording of this notice in the office of the County Recorder, the Assessment shall become a lien upon the Property. In addition, the Annual Administrative Assessment shall become a lien upon the Property at the same time as property taxes upon the Property become a lien each year.

The specific contact information for SANBAG and more information regarding the Contractual Assessment may be obtained from the Director of Management Services at 1170 W. 3rd Street, 2nd Floor, San Bernardino, California 92410-1715 (address), tel: (909) 884-8276.

Date of Assessment:
10/17/2014

San Bernardino Associated Governments
Program Administrator

By: _____
Authorized Officer

Attachment: Combined Notice of Assessment and Payment of Contractual Assessment 1-20-15 (1584 : Revised HERO Documents)

EXHIBIT "A"**IDENTIFICATION OF PROPERTY OWNERS AND PROPERTY DESCRIPTION****Record Owner(s) Names:** John Smith**Address:** 4141 Capital St, Name of Town, CA
9XXXX**APN(s):** NNN-NNN-NNN**County:** San Bernardino**Legal Description:**

THE FOLLOWING DESCRIBED REAL PROPERTY:

EXHIBIT "B"
SCHEDULE OF ANNUAL ASSESSMENT INSTALLMENTS, INCLUDING
PRINCIPAL, INTEREST AND THE ANNUAL ASSESSMENT
ADMINISTRATIVE FEE

Tax Year	Principal	Interest	Total Principal and Interest	Current Annual Assessment Administrative Fee**	Total Annual Assessment Installment
2015-2016					
2016-2017					
2017-2018					
2018-2019					
2019-2020					
2020-2021					
2021-2022					
2022-2023					
2023-2024					
2024-2025					

**Subject to increase pursuant to the Assessment Contract.

Attachment: Combined Notice of Assessment and Payment of Contractual Assessment 1-20-15 (1584 : Revised HERO Documents)

**EXHIBIT "C"
ASSESSMENT CONTRACT**

Attachment: Combined Notice of Assessment and Payment of Contractual Assessment 1-20-15 (1584 : Revised HERO Documents)

Minute Action

AGENDA ITEM: 8

Date: *February 11, 2015*

Subject:

Amendment to Master Indenture for the HERO Program Second Residential Property Tranche

Recommendation:

That the General Policy Committee approve the preparation of and the general provisions of an amendment to the Master Indenture with Deutsche Bank National Trust Company, as Trustee, for San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Second Residential Property Tranche - Phase One) and direct the final authorizing resolution and amendment to the Master Indenture be brought directly to the Board of Directors for action.

Background:

On March 6, 2013, the SANBAG Board of Directors approved the creation of the HERO Program and approved the Program Report and the form of the Master Indenture for the Residential Property Bonds that were to be issued as part of the HERO Program. On September 3, 2014, the SANBAG Board of Directors approved a new Master Indenture that incorporated a number of improvements for consumers and allowed the HERO Program Administrator, Renovate America, Inc., to become the direct buyer for the bonds issued for the HERO Program. Renovate America now buys the bonds directly and when a sufficient number are combined, they are bundled and then sold to other investors. Both SANBAG and Renovate America find that it would be beneficial to property owners and make the HERO Program bonds more marketable to investors to make certain modifications to the Master Indenture for the Second Residential Property Tranche.

The amendment to the Master Indenture is substantially the same as the previous Master Indentures approved by the Board of Directors with the following exceptions:

A. Provides for the mandatory redemption of bonds or the payment of debt service on bonds from surplus proceeds remaining on deposit in the Program Fund following the payment of all costs of the installation of improvements. The prior Master Indenture was not specific on this point and allowing surplus funds to be used in this manner will reduce future payments by property owners.

B. Provides that if funds are advanced by SANBAG or a third party to defer initiation of a judicial foreclosure proceeding on parcels that are delinquent in the payment of assessment installments that the party advancing the funds shall be entitled to receive the penalties and interest that have accrued upon the redemption of the delinquency. This provision makes it easier for Renovate America or another party to advance funds to avert the beginning of foreclosure proceedings by providing for a source to have the cost of advancing those funds offset.

Entity: *COG*

General Policy Committee Agenda Item

February 11, 2015

Page 2

C. Provides for the bond owner to assign certain rights over to the holder of a first deed of trust in the event of a delinquency. This provision is to help satisfy concerns of mortgage holders concerned with the HERO assessment having a position in front of the first deed of trust by providing a mechanism for the mortgage holder to take precedence.

SANBAG's Bond Counsel, Best Best & Krieger (BBK), is drafting the amendment to the Master Indenture for review and approval by SANBAG's staff and General Counsel. It is requested that the Committee approve the general provisions outlined above and authorize the staff to bring the final amendment to the Master Indenture and related resolution (Resolution No. 14-033) directly to the Board of Directors for action. That related resolution will approve the form of the amendment to the Master Indenture and authorize the Executive Director or his designee to execute the amendment to the Master Indenture.

Financial Impact:

This item is consistent with the adopted fiscal year 2014/2015 SANBAG budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG's General Counsel has reviewed this item and the draft resolution.

Responsible Staff:

Duane Baker, Director of Management Services

Approved
General Policy Committee
Date: February 11, 2015

Witnessed By:

RESOLUTION NO. 14-033**RESOLUTION OF THE SAN BERNARDINO ASSOCIATED GOVERNMENTS APPROVING THE FIRST AMENDMENT TO THE MASTER INDENTURE FOR THE SANBAG HERO PROGRAM PERTAINING TO THE SAN BERNARDINO ASSOCIATED GOVERNMENTS LIMITED OBLIGATION IMPROVEMENT BONDS (SANBAG HERO PROGRAM) (SECOND RESIDENTIAL PROPERTY TRANCHE)**

WHEREAS, on September 3, 2014, the Board of Directors of the San Bernardino Associated Governments (the “Board of Directors” and “SANBAG” respectively) adopted Resolution No. 14-029 approving the form of master indenture to provide for the issuance of the San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Second Residential Property Tranche – Phase One) (the “Bonds”); and

WHEREAS, pursuant to Resolution No. 14-029, SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”), entered into the Master Indenture, dated as of September 3, 2014 (the “Master Indenture”), to provide for the issuance of the Bonds and SANBAG did issue and sell such bonds to RA HERO Bond Holdings, LLC (“Owner”), as assignee of Renovate America, Inc.; and

WHEREAS, SANBAG staff, the SANBAG HERO financing team and Owner have recommended the following amendments to the Master Indenture to benefit the SANBAG HERO Program and the owners of residential properties participating in such program:

1. Provide for the mandatory redemption of Bonds or the payment of debt service on Bonds from surplus proceeds remaining on deposit in the Program Fund following the payment of all costs of the installation of Improvements (as defined in the Master Indenture) on Participating Parcels (as defined in the Master Indenture) pursuant to the applicable Assessment Contracts;
2. Provide that if funds are advanced by SANBAG or a third party for the purpose of enabling SANBAG to defer initiation of judicial foreclosure proceedings pursuant to the provisions of the Master Indenture on Participating Parcels that are delinquent in the payment of assessment installments that the party advancing such funds shall, at the discretion of the Board of Directors, be entitled to receive the penalties and interest that have accrued on such delinquent assessments upon the redemption of such delinquencies; and
3. Provide that a Bond Owner (as defined in the Master Indenture) may assign certain rights of such Bond Owner under the Master Indenture to the holder of a first deed of trust or other interest on a Participating Parcel in the event of a delinquency in the payment of assessment installments that are due and payable on such Participating Parcel; and

WHEREAS, this Board of Directors has determined that the amendment of the Master Indenture as described in the preceding paragraph would be in the best interests of the SANBAG HERO Program and the residential property owners participating in the SANBAG HERO Program;

WHEREAS, in order to incorporate this amendment into the Master Indenture, it will be necessary to approve the form of the amendment to the Master Indenture (the “First Amendment to Master Indenture”).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Bernardino Associated Governments as follows:

Section 1. Recitals. The above recitals are true and correct.

Section 2. Approval of the Form of the First Amendment to Master Indenture. With respect to the Bonds issued or to be issued pursuant to the Master Indenture, the Board of Directors hereby approves the form of the First Amendment to Master Indenture substantially in the form on file with the Clerk, together with any changes therein and additions thereto approved by the Executive Director of SANBAG, or any designee of the Executive Director (each, an “Authorized Representative”) and reviewed and concurred in by Best Best & Krieger LLP, in its capacity as bond counsel to SANBAG for the SANBAG HERO Program, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of the First Amendment to Master Indenture for and in the name of SANBAG.

Section 3. Effective Date of Resolution and the First Amendment to Master Indenture. This resolution shall take effect immediately upon its adoption. The capitalized terms used in this Resolution and not defined herein shall have the meanings given such terms in the Master Indenture.

The First Amendment to Master Indenture shall become effective pursuant to the terms of the Master Indenture applicable to such an amendment.

PASSED AND ADOPTED at a meeting of the Board of Directors of the San Bernardino Associated Governments held on March 4, 2015.

L. Dennis Michael, President

ATTEST:

Vicki Watson,
Clerk of the Board

26682.00007\9526916.3

Minute Action

AGENDA ITEM: 9

Date: *February 11, 2015*

Subject:

New Master Indenture for the HERO Program Third Residential Property Tranche

Recommendation:

That the General Policy Committee take the following actions:

A. Approve the preparation of and the general provisions of a new Master Indenture with Deutsche Bank National Trust Company, as Trustee, for San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Third Residential Property Tranche – Phase One) and direct the final authorizing resolution and Master Indenture be brought directly to the Board of Directors for action; and

B. Recommend the Board delegate authority to approve additional Master Indentures and to order the closure of such Master Indentures to the Executive Director, or an Authorized Representative, with the concurrence of SANBAG’s Bond Counsel.

Background:

On March 6, 2013, the SANBAG Board of Directors approved the creation of the HERO Program and approved the Program Report and the form of the Master Indenture for the Residential Property Bonds that were to be issued as part of the HERO Program. On September 3, 2014, the SANBAG Board of Directors approved a new Master Indenture that incorporated a number of improvements for consumers and allowed the HERO Program Administrator, Renovate America, Inc., to become the direct buyer for the bonds issued for the HERO Program. Renovate America now buys the bonds directly and when a sufficient number are combined, they are bundled and then sold to other investors. By selling these bonds to other investors, Renovate America is able to attract more attention from the financial community and ultimately provide lower interest rates to the end consumer. To facilitate this securitization and sale of these bundles of bonds, it is important to have each group covered by a Master Indenture that is limited to that group. Renovate America is preparing to go to market with bonds again and a new Master Indenture to cover the next group of bonds is needed.

The new Master Indenture will be substantially the same as the previous Master Indentures approved by the Board of Directors with the following exceptions:

A. Provides for the mandatory redemption of bonds or the payment of debt service on bonds from surplus proceeds remaining on deposit in the Program Fund following the payment of all costs of the installation of improvements. The prior Master Indenture was not specific on this point and allowing surplus funds to be used in this manner will reduce future payments by property owners.

Entity: COG

General Policy Committee Agenda Item

February 11, 2015

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B. Provides that if funds are advanced by SANBAG or a third party to defer initiation of a judicial foreclosure proceeding on parcels that are delinquent in the payment of assessment installments that the party advancing the funds shall be entitled to receive the penalties and interest that have accrued upon the redemption of the delinquency. This provision makes it easier for Renovate America or another party to advance funds to avert the beginning of foreclosure proceedings by providing for a source to have the cost of advancing those funds offset.

C. Provides for the bond owner to assign certain rights over to the holder of a first deed of trust in the event of a delinquency. This provision is to help satisfy concerns of mortgage holders concerned with the HERO assessment having a position in front of the first deed of trust by providing a mechanism for the mortgage holder to take precedence.

SANBAG's Bond Counsel, Best Best & Kreiger (BBK), is drafting the new Master Indenture for review and approval by SANBAG's staff and General Counsel. It is requested that the Committee approve the general provisions outlined above and authorize the staff to bring the final Master Indenture and related resolution (Resolution No. 14-032) directly to the Board of Directors for action. That related resolution will approve the form of the new Master Indenture and authorize the Executive Director or his designee to execute the new Master Indenture. The resolution will also close out the Second Real Property Tranche Bonds. Finally, Resolution No. 14-032 will delegate authority to approve additional Master Indentures and to order the closure of such Master Indentures to the Executive Director, or an Authorized Representative, with the concurrence of SANBAG's Bond Counsel.

Financial Impact:

This item is consistent with the adopted SANBAG Fiscal Year 2014/2015 Budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG's General Counsel has reviewed this item and the resolution.

Responsible Staff:

Duane Baker, Director of Management Services

Approved
General Policy Committee
Date: February 11, 2015

Witnessed By:

RESOLUTION NO. 14-032

RESOLUTION OF THE SAN BERNARDINO ASSOCIATED GOVERNMENTS APPROVING THE FORM OF MASTER INDENTURE FOR THE ISSUANCE OF THE THIRD RESIDENTIAL PROPERTY TRANCHE BONDS FOR THE SANBAG HERO PROGRAM; PROVIDING FOR THE APPROVAL OF FUTURE MASTER INDENTURES AND APPROVING OTHER ACTIONS IN CONNECTION THERETO

WHEREAS, on September 3, 2014, the Board of Directors of the San Bernardino Associated Governments (the “Board of Directors” and “SANBAG” respectively) adopted Resolution No. 14-029 approving the form of master indenture to provide for the issuance of the San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Second Residential Property Tranche – Phase One) (the “Second Residential Property Tranche Bonds”); and

WHEREAS, pursuant to Resolution No. 14-029, SANBAG and Deutsche Bank National Trust Company, as trustee (the “Trustee”), entered into the master indenture, dated as of September 3, 2014 (the “Second Residential Property Tranche Bonds Master Indenture”), to provide for the issuance of the Second Residential Property Tranche Bonds and SANBAG did issue and sell such bonds to RA HERO Bond Holdings, LLC (“Owner”), as assignee of Renovate America, Inc.; and

WHEREAS, Owner has expressed its intention to securitize the Second Residential Property Tranche Bonds and Owner and SANBAG staff and the SANBAG HERO financing team have recommended that the Second Residential Property Tranche Bonds Master Indenture be closed to provide that no further bonds may be issued pursuant thereto and thereby enhance the marketability and creditworthiness of the securitization of such bonds by providing that only the Second Real Property Tranche Bonds will be subject to the terms of the Second Real Property Tranche Bonds Master Indenture; and

WHEREAS, the SANBAG staff and the SANBAG HERO financing team have further recommended that the Board of Directors approve the form of a new master indenture to provide for the issuance of the San Bernardino Associated Governments Limited Obligation Improvement Bonds (SANBAG HERO Program) (Third Residential Property Tranche – Phase One) (the “Third Residential Property Tranche Bonds”) to be issued following the closure of the September 3, 2014 Master Indenture; and

WHEREAS, the SANBAG staff and the SANBAG HERO financing team have advised the Board of Directors that the projected volume of bonds for the SANBAG HERO Program to be issued annually upon the security of voluntary contractual assessments levied on residential parcels will be such that the owners of such bonds will undertake securitization of such bonds multiple times per year thereby necessitating the approval of a multiple master indentures annually as such securitizations occur and have recommended that the Board of Directors

delegate to the Executive Director the authority to approve, subject to the review of and concurrence by Best Best & Krieger LLP, as bond counsel to SANBAG for the SANBAG HERO Program (“Bond Counsel”), a new master indenture for each new tranche of such bonds substantially in the form of the master indenture presented to and approved by the Board of Directors for the Third Residential Property Tranche Bonds in order to facilitate the ongoing issuance of such bonds and administration thereof and the subsequent securitization thereof; and

WHEREAS, there has been submitted to the Board of Directors the form of a master indenture providing for the issuance and administration of the Third Residential Property Tranche Bonds; and

WHEREAS, this Board of Directors, with the aid of the SANBAG staff and the SANBAG HERO financing team, has reviewed such master indenture and found it to be in proper order;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Bernardino Associated Governments as follows:

Section 1. Recitals. The above recitals are true and correct.

Section 2. Approval of the Form of the Master Indenture for the Third Residential Property Tranche Bonds. With respect to the Third Residential Property Tranche Bonds to be issued on or after the effective date of this Resolution to fund the installation of Improvements on Residential Parcels (as each such term is defined in the Master Indenture defined hereinbelow), the Board of Directors hereby approves the form of the master indenture (the “Master Indenture”) substantially in the form on file with the Clerk of the Board, together with any changes therein and additions thereto approved by the Executive Director of SANBAG, or any designee of the Executive Director (each, an “Authorized Representative”) and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of the Master Indenture for and in the name of SANBAG for each Series (as defined in the Master Indenture) of the Third Residential Property Tranche Bonds. The Board of Directors hereby authorizes the delivery and performance of the Master Indenture for each Series of the Third Residential Property Tranche Bonds.

The Board of Directors hereby approves the form of the Supplemental Indenture (as defined in the Master Indenture) substantially in the form contained in the Master Indenture, together with any changes therein or additions thereto approved by an Authorized Representative, required for the issuance of each Third Residential Property Tranche Bond, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of each Supplemental Indenture for and in the name of SANBAG for each Series of Third Residential Property Tranche Bonds. The Board of

Directors hereby authorizes the delivery and performance of each Supplemental Indenture for each Series of Third Residential Property Tranche Bonds.

Section 3. Closure of the Second Real Property Tranche Bonds. The Executive Director or another Authorized Representative is hereby authorized to order the closure of Second Real Property Tranche Master Indenture and direct that no further bonds be issued pursuant to such master indenture by delivering an Officer's Certificate (as defined in the Second Real Property Tranche Master Indenture) to the Trustee.

Section 4. Delegation of Authority to Approve Additional Master Indentures and Order the Closure of such Master Indentures. With respect to additional future residential property tranche bonds (each, a "Future Residential Property Tranche Bonds"), to be issued on or after the effective date of this Resolution, the Board of Directors hereby delegates to an Authorized Representative, the authority to approve the master indenture for each such tranche of bonds (each, a "Future Master Indenture") so long as such master indenture is substantially in the form of the Master Indenture, together with any changes therein and additions thereto approved by an Authorized Representative, and reviewed and concurred in by Bond Counsel, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of each such Future Master Indenture for and in the name of SANBAG for each series of the Future Residential Property Tranche Bonds authorized to be issued pursuant to such Future Master Indenture. The Board of Directors hereby authorizes the delivery and performance of such Future Master Indenture for each series of such Future Residential Property Tranche Bonds.

The Board of Directors hereby delegates to an Authorized Representative the authority to approve each supplemental indenture required for the issuance of each Future Residential Property Tranche Bond (each, a "Future Supplemental Indenture") pursuant to the applicable Future Master Indenture, and the execution thereof by an Authorized Representative shall be conclusive evidence of the approval of any such changes or additions. The Board of Directors hereby authorizes and directs an Authorized Representative to execute the final form of each Future Supplemental Indenture for and in the name of SANBAG for each series of Future Residential Property Tranche Bonds. The Board of Directors hereby authorizes the delivery and performance of each such Future Supplemental Indenture for each series of Future Residential Property Tranche Bonds.

Proposed provisions of any Future Master Indenture that constitute substantive revisions to the Master Indenture shall be subject to the approval of the Board of Directors.

An Authorized Representative is hereby authorized to order the closure of any Future Real Property Tranche Master Indenture and direct that no further bonds be issued pursuant to such master indenture by delivering a certificate of SANBAG as

provided for in the applicable Future Master Indenture to the trustee under such Future Master Indenture.

Section 3. Effective Date of Resolution. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Directors of the San Bernardino Associated Governments held on March 4, 2015.

L. Dennis Michael, President

ATTEST:

Vicki Watson,
Clerk of the Board

26682.00007\9526097.3

Minute Action

AGENDA ITEM: 10

Date: *February 11, 2015*

Subject:

State and Federal Legislative Update

Recommendation:

That the General Policy Committee recommend the Board receive and file the report.

Background:

State Legislative Update

Delegation Members Appointed to Key Committees and Leadership Positions

Several Members of SANBAG's State Legislative Delegation have been appointed to key state legislative committees or hold leadership positions within their respective caucuses.

Assembly Appropriations – Ling Ling Chang (R-Diamond Bar), Chris Holden (D-Pasadena)

Assembly Budget – Tom Lackey (R-Palmdale), Jay Obernolte (R-Big Bear Lake),
 Freddie Rodriguez (D-Pomona)

Assembly Budget Subcommittee No. 3 on Resources and Transportation – Jay Obernolte

Assembly Governmental Organization – Chad Mayes (R-Yucca Valley), Marc Steinorth (R-Rancho Cucamonga)

Assembly Housing and Community Development – Vice Chair Marc Steinorth

Assembly Jobs, Economic Development, and the Economy – Cheryl Brown (D-San Bernardino)

Assembly Judiciary – Chris Holden

Assembly Local Government – Chris Holden

Assembly Rules – Vice Chair Ling Ling Chang, Chad Mayes, Freddie Rodriguez, Jay Obernolte
 (Republican Alternate)

Joint Legislative Budget – Assembly Member Jay Obernolte, Senator Jean Fuller (R-Bakersfield)

Joint Legislative Audit – Senator Jean Fuller, Senator Connie Leyva (D-Chino)

Senate Appropriations – Connie Leyva

Senate Budget and Fiscal Review – Mike Morrell (R-Rancho Cucamonga)

Senate Elections and Constitutional Amendments – Carol Liu (D-La Cañada Flintridge)

Senate Rules – Vice Chair Jean Fuller, Connie Leyva

Senate Transportation and Housing – Connie Leyva

Leadership Posts

Assembly Majority Floor Leader – Chris Holden

Senate Democratic Caucus Chair – Connie Leyva

Entity: CMA, COG, CTA, CTC, SAFE

Legislative Calendar

Below is a quick overview of the major legislative deadlines for 2015. New bills of interest will come forward for recommended positions following the February 27th bill introduction deadline.

January 30 – Legislative Counsel Deadline
 February 27 – Bill Introduction Deadline
 March 27 - April 5 - Spring Recess
 May 1 – First House Policy Committee Deadline for fiscal bills
 May 15 – First House Policy Committee Deadline for nonfiscal bills
 May 29 – First House Fiscal Committee Deadline
 June 5 – House of Origin Deadline
 June 15 – State Budget Deadline
 July 17 – Second House Policy Committee Deadline
 July 18 – August 16 – Summer Recess
 August 28 – Second House Fiscal Committee Deadline
 September 11 – Last day to pass bills
 October 11 – Last day for Governor to sign or veto bills

State Budget Update

The Governor released his Fiscal Year (FY) 2015/2016 Budget Proposal on January 9, 2015, and a number of items will impact SANBAG's programs and services going forward. The Governor continues to call for fiscal restraint and notes that despite a modest project surplus this year, the State may again face deficits again starting in FY 2018/2019 based on existing spending commitments alone.

Below are some comments on some major items of note in the budget proposal. Although this is the first step in a budget negotiation process that is not expected to be completed until June, this often sets the tone for the Governor's priorities as the process goes forward.

Transportation

In the Transportation section of the budget, the Governor outlines the volume of investments in capacity projects in recent memory including investments made by Self-Help Counties, Proposition 1B, the federal stimulus program – ARRA, and how existing gas taxes are used. The budget proposal states that 70% of these revenues have funded new projects and debt service, while ongoing maintenance needs have been deferred. Out of the State's \$66 billion in unfunded maintenance needs, the largest area of underinvestment is for highways, roads, and bridges.

To address these needs, the Governor calls for expanded and ongoing funding sources for deferred maintenance on state highways and investments in key freight corridors. As part of this discussion, he acknowledged that more fuel efficient and alternative fuel cars are also reducing the revenues available to fund our system and that new funding sources should focus on the state's aforementioned core priorities – maintenance and goods movement. The Governor also stated that local sales tax measures have historically provided funds for local preservation

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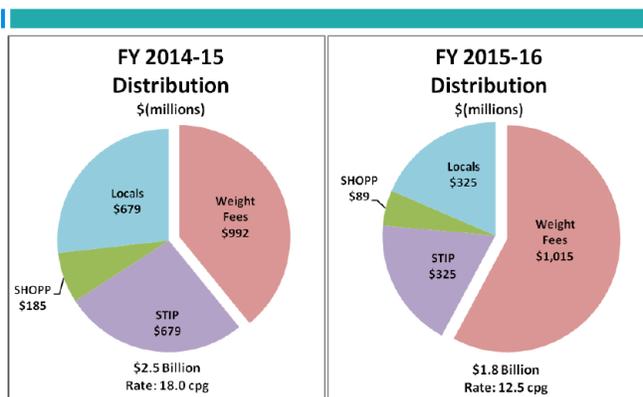
shortfalls for roads and transit and that new authority should be considered for these types of investments.

It is not yet clear where these new funding sources would come from and how investment decisions would be made. The Governor stated at the time of the budget release that he is looking to work with the impacted constituencies and the Legislature to develop a bi-partisan solution to these shortfalls, but that a new transportation bond is not appropriate at this time given the state's existing levels of debt.

One item that is of considerable interest is the impact of the fall in gas prices on anticipated revenues for FY 2015/2016. While the fall in gas prices has undoubtedly produced potentially significant related economic benefits for the State's economy and helped to support a still recovering regional economy, the drop in gas prices will result in reduced revenues available for transportation projects in the coming year. The current fuel excise tax rate is 36 cents per gallon under current law and this number is adjusted annually by the Board of Equalization to maintain revenue neutrality and collect only what would have been calculated under Proposition 42, the state sales tax on gasoline that was eliminated in 2010 under the "gas tax swap".

The overall impact of this calculation remains to be seen and will become clear when the Board of Equalization releases its calculations on or around March 1st. At this point, the Governor's January Budget proposal estimates that the excise tax on gas will drop by 5.5 cents on July 1, while the Legislative Analyst's Office estimates a 4 cent per gallon drop. By either measure, the impact of the drop in gas prices reduces the available revenues by \$700 million. As the diversion of weight fee revenues to pay for previous transportation bond debt comes off the top, the remaining revenues are distributed to local agencies through the Highway Users Tax Account (HUTA), to the State Highway Operations and Protection Program (SHOPP), and the State Transportation Improvement Program (STIP).

Price-Based Excise Tax Comparison



Note: Does not include \$91 million in revenue associated with Off-Highway use.

As shown in the chart labeled, "Price-Based Excise Tax Comparison", the available revenues for local agencies, the SHOPP, and the STIP will be reduced by approximately half according to the Governor's calculations. As the STIP and SHOPP are programmed in multi-year funding cycles, the immediate drop in revenues won't be apparent and will be able to be spread across multiple years to mitigate the impacts. However, local agencies receiving funds through the HUTA will feel an immediate impact to available revenues.

Also in the Transportation section, the budget proposal also calls for expanded authority for toll road projects through a process that would be overseen by the California Transportation Commission. This is a process we will clearly pay close attention to as SANBAG pursues both statewide authority for new express lane facilities and authority for SANBAG's I-10 and I-15 projects specifically.

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With respect to transit, the budget projects a \$387.8 million State Transit Assistance program for FY 2015/2016, a less than one percent increase above the current year estimate of \$379.4 million. For capital funding, the budget also proposes to allocate \$150 million from the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) program from Proposition 1B.

Lastly, the proposal calls for additional attention paid to the impacts of the weight of vehicles on roads and highways and how this can be addressed; discusses Caltrans' Advance Mitigation program allowing for regional scale projects to offset improvements to state highway system; provides additional resources to transportation management systems to improve corridor management; and refers to continued plans to streamline relinquishments.

Cap and Trade

The Governor's budget estimates that \$1 billion of Cap and Trade revenues will be available for distribution in FY 2015/2016. Based on legislation passed in FY 2014/2015, the distribution of those funds will be as follows:

- \$250 million for High Speed Rail
- \$50 million for Low Carbon Transit Operations
- \$100 million for Transit and Intercity Rail Capital
- \$200 million for Affordable Housing and Sustainable Communities
- \$200 million for Low Carbon Transportation

Other non-transportation distributions include \$110 million for energy efficiency and clean energy programs and \$92 million for natural resources and waste diversion programs.

Local Government

The Local Government section outlines the Administration's desire to see a more streamlined redevelopment dissolution process emerge as 85% of active successor agencies have since received a Finding of Completion. For these agencies, the Governor proposes a "Last and Final" Recognized Obligation Payment Schedule (ROPS) beginning in September 2015. Under these circumstances, they would no longer submit ROPS to the State Department of Finance or their oversight board. The County Auditor-Controller would send the funds to that jurisdiction until the obligations have been paid.

For those agencies without a Finding of Completion, the ROPS process would transition from a biannual report to an annual report beginning on July 1, 2016 and transition to a countywide oversight board. Lastly, the budget proposes a number of clarifications to the process designed to streamline the remaining steps for these agencies.

The Governor also proposes to pay down \$533 million of the \$800 million remaining in pre-2004 state mandate debt owed to cities, counties, and special districts. In addition, a one-time payment of \$9.6 million to fund the 2001 to 2013 local agency costs of complying with the Public Records Act mandate is proposed.

Education and Workforce Development

The K-14 education budget increases per pupil spending from \$7,008 per student in FY 2011/2012 to \$9,667 per student in FY 2015/2016. This does not include additional funds being provided to fully retire previous deferred payments to schools amounting to \$992 million. Overall, funding is proposed to increase by \$7.8 billion, including \$4 billion in investments in the Local Control Funding Formula to help close the funding gap.

With respect to Higher Education, it is a topic that is expected to receive a great deal of attention in the Legislature this year given a recent UC Board of Regents vote to increase tuition over the next several years. The Governor's budget proposes an increase of funding from Proposition 30 of \$119.5 million for the University of California and \$119.5 million for the California State University system. This increased funding is contingent on tuition remaining flat at FY 2011/2012 levels.

Workforce development efforts, including investments in education and job training, are noted by the Governor as being the long term path out of poverty as growth in social programs alone cannot fully address the issue. As part of SANBAG's participation in the County's Visioning process, special attention has been paid to improving career training opportunities for residents of our County. To that end, the Governor has proposed \$1.2 billion in funding to support adult education programs, career technical education, workforce investment programs, and apprenticeships.

Water Bond

The FY 2015/2016 proposal offers a first year investment plan for the Water Bond approved by the voters in November 2014 totaling \$532.5 million. This includes:

- \$135.5 million for Safe Drinking Water
- \$178 million for Watershed Protection and Restoration
- \$56.6 million for Regional Water Reliability
- \$3.3 million for Water Storage
- \$137.2 million for Water Recycling
- \$21.9 million for Groundwater Sustainability

Federal Update

Delegation Committee Assignments

U.S. House of Representatives

Pete Aguilar – Agriculture, Armed Services

Judy Chu - Small Business, Judiciary

Paul Cook - Armed Services, Foreign Affairs, Natural Resources

Ed Royce - Financial Services, Foreign Affairs (Chairman)

Norma Torres - Homeland Security, Natural Resources

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U.S. Senate

Barbara Boxer - Environment and Public Works (Ranking Member), Ethics (Ranking Member), Foreign Relations

Dianne Feinstein – Intelligence (Chairman), Appropriations, Judiciary, Rules and Administration

In addition to delegation committee assignments noted above, the respective member lists for the major policy committees dealing with federal transportation reauthorization – the Senate Committee on Environment and Public Works and the House Committee on Transportation & Infrastructure are included below.

Senate Committee on Environment and Public Works

Republicans (11)

Democrats (9)

James M. Inhofe, Okla. - *Chairman*Barbara Boxer, Calif. - *Ranking Member*

David Vitter, La.

Thomas R. Carper, Del.

John Barrasso, Wyo.

Benjamin L. Cardin, Md.

Shelley Moore Capito, W.Va.

Bernard Sanders, Vt. (I)

Michael D. Crapo, Idaho

Sheldon Whitehouse, R.I.

John Boozman, Ark.

Jeff Merkley, Ore.

Jeff Sessions, Ala.

Kirsten Gillibrand, N.Y.

Roger Wicker, Miss.

Cory Booker, N.J.

Deb Fischer, Neb.

Edward J. Markey, Mass.

Michael Rounds, S.D.

Dan Sullivan, Alaska

House Committee on Transportation and Infrastructure

Republicans (34)

Democrats (25)

Bill Shuster, Pa. - *Chairman*Peter A. DeFazio, Ore. - *Ranking Member*

Don Young, Alaska

Eleanor Holmes Norton, D.C.

John J. Duncan Jr., Tenn.

Jerrold Nadler, N.Y.

John L. Mica, Fla.

Corrine Brown, Fla.

Frank A. LoBiondo, N.J.

Eddie Bernice Johnson, Texas

Sam Graves, Mo.

Elijah E. Cummings, Md.

Candice S. Miller, Mich.

Rick Larsen, Wash.

Duncan Hunter, Calif.

Michael E. Capuano, Mass.

Rick Crawford, Ark.

Grace F. Napolitano, Calif.

Lou Barletta, Pa.

Daniel Lipinski, Ill.

Blake Farenthold, Texas

Steve Cohen, Tenn.

Bob Gibbs, Ohio

Albio Sires, N.J.

Richard Hanna, N.Y.

Donna Edwards, Md.

Daniel Webster, Fla.

John Garamendi, Calif.

Jeff Denham, Calif.

André Carson, Ind.

Reid Ribble, Wis.

Janice Hahn, Calif.

Thomas Massie, Ky.

Rick Nolan, Minn.

Tom Rice, S.C.

Ann Kirkpatrick, Ariz.

House Committee on Transportation and Infrastructure (continued)

Mark Meadows, N.C.	Dina Titus, Nev.
Scott Perry, Pa.	Sean Patrick Maloney, N.Y.
Rodney Davis, Ill.	Elizabeth Esty, Conn.
Mark Sanford, S.C.	Lois Frankel, Fla.
Rob Woodall, Ga.	Cheri Bustos, Ill.
Todd Rokita, Ind.	Jared Huffman, Calif.
John Katko, N.Y.	Julia Brownley, Calif.
Brian Babin, Texas	
Crescent Hardy, Nev.	
Ryan Costello, Pa.	
Garret Graves, La.	
Mimi Walters, Calif.	
Barbara Comstock, Va.	
Carlos Curbelo, Fla.	
David Rouzer, N.C.	
Lee Zeldin, N.Y.	

Financial Impact:

This item has no impact on the Fiscal Year 2014/2015 SANBAG Budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Wendy Strack, Director of Legislative and Public Affairs

Approved
 General Policy Committee
 Date: February 11, 2015

Witnessed By:

Minute Action

AGENDA ITEM: 11

Date: *February 11, 2015*

Subject:

Public Affairs Update

Recommendation:

That the General Policy Committee recommend the Board receive and file the report.

Background:

The SANBAG Legislative and Public Affairs Department is responsible for the development of the overall legislative and communications program for the agency, including positioning, messaging, marketing and branding, developing outreach programs and events, and implementing strategies to achieve SANBAG's legislative objectives. This coordinated approach to managing SANBAG's external communications program is built upon a quality existing program and evolving the program to meet current and future communications needs.

The purpose of this report is to share the existing accomplishments of the program and begin to consider an updated approach to agency communications.

One of the primary responsibilities of the Public Affairs program is communicating our message and navigating the outreach needs of the various departments within our agency. From conception to completion, every project demands a quality communications plan that carefully considers the needs of the general public. Whether we are communicating the challenges of construction or highlighting the value of a program like HERO, the Public Affairs Program is tasked with ensuring that the Board's vision for the agency is reaching our stakeholders.

A major part of this program centers on the support for the delivery of our major projects. Public Affairs staff is a critical part of the Construction Management team, helping to communicate and mitigate the construction activities that affect neighboring communities, both residential and business. Staff is responsible for disseminating construction alerts to the media, stakeholders, local agencies, elected representatives, and emergency responders to keep them apprised of potential traffic impacts. Over the past year, nearly 200 alerts were issued for projects in our program.

Construction impacts are not limited to just traffic impacts. For example, the Laurel Street Grade Separation project required the elimination of a pedestrian way that connected a segment of the Colton community with Colton Middle School. Working with the project team, the principal at the school, and the Colton Joint Unified School District Transportation Director, staff was able to negotiate a temporary bus provision for the hundreds of kids who would have been required to walk miles out of their way daily.

Public Affairs staff also conducts a series of meetings to ensure that the public is ready for the start of every major construction project. Coordination with the construction management team,

Entity: CMA, COG, CTA, CTC, SAFE

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emergency responders, public and school transportation providers, and city or county staff are among the most critical components of those meetings. Public Affairs staff develops the collateral materials, schedules the venue, builds the agenda, and facilitates those meetings so that appropriate and consistent information is disseminated throughout the life of a project.

Following those meetings, a public open house is typically held to orient residents, business owners, and commuters with the project's scope and schedule. Public Affairs has conducted five open house events over the past two years, as well as supported many others from partner agencies like Caltrans and various municipalities.

Major projects can also involve a groundbreaking event and dedication ceremony, where appropriate. SANBAG-led projects involve a Public Affairs staff lead in coordinating the logistics, invitations to stakeholders, project personnel, and elected officials, and securing the appropriate panel of speakers from various governmental agencies or other public partners. Staff must ensure that a location is suitable for the event and is sensitive to ADA requirements, safety concerns, traffic-handling, and parking needs. SANBAG staff also draft speaking points for any of the Board members who will be speaking at the event and brief staff of other elected officials on the details of the project for their respective speeches. There have been 12 such events over the past two years.

The responsibility of the Public Affairs program does not end with project support. Staff has also been called to coordinate high visibility events at the Santa Fe Depot. The House Transportation and Infrastructure Committee's Panel on 21st Century Freight Transportation, the California Freight Advisory Committee, the Strategic Growth Council, and Caltrans Division of Rail and Mass Transportation have all hosted events at the Depot in less than two years. The success of those events elevates SANBAG and the region as significant participants in critical transportation discussions.

In addition, the statewide Focus on the Future conference, the Western Area State Highway Transportation Officials annual conference, and the American Association of State Highway Transportation Officials Subcommittee on Communications annual conference each requested SANBAG present on our communications strategy for mitigating a 55-hour closure of Interstate 215. The presentation focused on leveraging social media to influence traditional media opportunities. On a \$20,000.00 budget for the campaign, the SANBAG Public Affairs program was able to generate 66 media impressions on Los Angeles television stations, reaching nearly five million viewers, and capturing more than \$248,000.00 in advertisement value, more than a 1,000% return on the investment.

Local audiences have also been in high demand. Directly participating in the Managed Lanes outreach resulted in 31 of the more than 75 speaking engagements to various civic groups, business chambers, and city and town councils being performed by Public Affairs staff. Another 16 invitations to speak about SANBAG's projects and programs has brought this total outreach effort to 47 morning, noon, and evening presentations throughout the county over the past two years.

Even though the volume of speaking opportunities remains high, the shifting communication demands coming from the public requires increased attention to social media and digital platforms. Public Affairs staff introduced Twitter (@SANBAGnews) as a platform for sharing updates on projects, Board activity, and agency-related news a little over two years ago. In the past year, the number of followers has grown from just less than 200 to the 1,300+ followers we have today. Interest continues to grow in this area and staff expects to have 2,500 followers by

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2016. Staff also converted the agency newsletter from a printable PDF format to a digital format which allows for easier distribution and better tracking of the analytics. Currently, there are 500 subscribers and staff has a goal of doubling that amount over the next year.

The previously mentioned 215 Big Shift campaign also saw the introduction of a YouTube based video series named “The 215 in 2:15.” This was a great tool for sharing project facts, closure detail, and look-aheads. The 25-video series had more than 14,500 total views, averaging more than 580 views per episode. The episode specifically highlighting the details of the 215 Big Shift Weekend had nearly 1,700 views, making it the most watched of the series. The concept has now been adopted by other agencies, including the recently released series called, “91 seconds on the 91.” Staff continues to evaluate options like this for other major projects.

These innovative communication solutions have not gone unnoticed by the industry. Public outreach efforts for the 215 Widening Project have received 16 regional and national awards, 11 of those accolades resulting from the 215 Big Shift campaign. The awarding entities include:

- The Public Relations Society of America
- The National Association of Government Communicators
- The California Association of Public Information Officials
- City-County Communications and Marketing Association

Moving forward, the Public Affairs program will continue to evolve to meet the future needs of the Board of Directors and the general public. We recently completed a recruitment to fill the vacant analyst position, which will provide additional internal capacity. In addition, social media platforms like Facebook and an agency blog are being evaluated to provide more engagement opportunities with the public and expand our reach to a larger audience. We will explore advanced marketing opportunities to increase awareness of the value of Measure I, help our transit and rail partners increase ridership, and develop more recognition for the Countywide Vision. Finally, we are seeking to better define our communications plan and enhance our media relations opportunities to strengthen our support role for the agency.

Financial Impact:

This item has no impact on the Fiscal Year 2014/2015 SANBAG Budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Tim Watkins, Chief of Legislative and Public Affairs

Approved
General Policy Committee
Date: February 11, 2015

Witnessed By:



“...by the numbers”

Special Events

12 PROJECT CEREMONIES



Industry Recognition

16 PR Awards



Media Relations

> 200 MEDIA ALERTS



Public Presentation

47 SPEAKING ENGAGEMENT



Social Media



500

@SANBAGnews
Subscribers



14,500
YOUTUBE VIEWS



1300+

TWITTER FOLLOWERS

Project Outreach

5

OPEN HOUSE MEETINGS



Return on Investment

4,960,000 PEOPLE

66 IMPRESSIONS

\$250K IN VALUE



Attachment: public affairs update - infographic (1614 : Public Affairs Update)

GENERAL POLICY COMMITTEE ATTENDANCE RECORD – 2015

Name	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Paul Eaton City of Montclair	**											
Add & Move Alphabetically City of	**											
Bill Jahn City of Big Bear Lake	**											
Robert Lovingood Board of Supervisors	**											
Larry McCallon City of Highland	**											
L. Dennis Michael City of Rancho Cucamonga	**											
Ryan McEachron City of Victorville	**											
Dick Riddell City of Yucaipa	**											
Rhodes “Dusty” Rigsby City of Loma Linda	**											
Janice Rutherford Board of Supervisors	**											
James Ramos Board of Supervisors	**											
Michael Tahan City of Fontana	**											

X =Member attended meeting. Empty box = Member did not attend meeting. Crossed out box = Not a member at the time. ** =The General Policy Committee did not meet this month

Communication: Attendance (Additional Information)

San Bernardino Associated Governments (SANBAG) is a council of governments formed in 1973 by joint powers agreement of the cities and the County of San Bernardino. SANBAG is governed by a Board of Directors consisting of a mayor or designated council member from each of the twenty-four cities in San Bernardino County and the five members of the San Bernardino County Board of Supervisors.

In addition to SANBAG, the composition of the SANBAG Board of Directors also serves as the governing board for several separate legal entities listed below:

***The San Bernardino County Transportation Commission**, which is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital development projects for public transit and highway projects, and determination of staging and scheduling of construction relative to all transportation improvement projects in the Transportation Improvement Program.*

***The San Bernardino County Transportation Authority**, which is responsible for administration of the voter-approved half-cent transportation transactions and use tax levied in the County of San Bernardino.*

***The Service Authority for Freeway Emergencies**, which is responsible for the administration and operation of a motorist aid system of call boxes on State freeways and highways within San Bernardino County.*

***The Congestion Management Agency**, which analyzes the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality through implementation of strategies in the adopted air quality plans.*

*As a **Subregional Planning Agency**, SANBAG represents the San Bernardino County subregion and assists the Southern California Association of Governments in carrying out its functions as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.*

Items which appear on the monthly Board of Directors agenda are subjects of one or more of the listed legal authorities. For ease of understanding and timeliness, the agenda items for all of these entities are consolidated on one agenda. Documents contained in the agenda package are clearly marked with the appropriate legal entity.

Meeting Procedures and Rules of Conduct

Meeting Procedures

The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the Board of Directors and Policy Committees.

Accessibility

The SANBAG meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is (909) 884-8276 and office is located at 1170 W. 3rd Street, 2nd Floor, San Bernardino, CA.

Agendas – All agendas are posted at 1170 W. 3rd Street, 2nd Floor, San Bernardino at least 72 hours in advance of the meeting, Staff reports related to agenda items may be reviewed at the SANBAG offices located at 1170 W. 3rd Street, 2nd Floor, San Bernardino and our website: www.sanbag.ca.gov.

Agenda Actions – Items listed on both the “Consent Calendar” and “Items for Discussion” contain suggested actions. The Board of Directors will generally consider items in the order listed on the agenda. However, items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors.

Closed Session Agenda Items – Consideration of closed session items *excludes* members of the public. These items include issues related to personnel, pending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.

Public Testimony on an Item – Members of the public are afforded an opportunity to speak on any listed item. Individuals wishing to address the Board of Directors or Policy Committee Members should complete a “Request to Speak” form, provided at the rear of the meeting room, and present it to the Clerk prior to the Board's consideration of the item. A "Request to Speak" form must be completed for *each* item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations.

The Consent Calendar is considered a single item, thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.

Agenda Times – The Board is concerned that discussion take place in a timely and efficient manner. Agendas may be prepared with estimated times for categorical areas and certain topics to be discussed. These times may vary according to the length of presentation and amount of resulting discussion on agenda items.

Public Comment – At the end of the agenda, an opportunity is also provided for members of the public to speak on any subject within the Board's authority. *Matters raised under “Public Comment” may not be acted upon at that meeting. “Public Testimony on any Item” still apply.*

Disruptive Conduct – If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of person willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive conduct includes addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, or otherwise preventing the Board from conducting its meeting in an orderly manner. *Please be aware that a NO SMOKING policy has been established for meetings. Your cooperation is appreciated!*

SANBAG General Practices for Conducting Meetings of Board of Directors and Policy Committees

Attendance - The Chair of the Board or a Policy Committee (Chair) has the option of taking attendance by Roll Call or Self-Introductions. If attendance is taken by Roll Call, the Clerk of the Board will call out by jurisdiction or supervisorial district. The Member or Alternate will respond by stating his/her name. If attendance is by Self-Introduction, the Member or Alternate will state his/her name and jurisdiction or supervisorial district.

- A Member/Alternate, who arrives after attendance is taken, shall announce his/her name prior to voting on any item.
- A Member/Alternate, who wishes to leave the meeting after attendance is taken but before remaining items are voted on, shall announce his/her name and that he/she is leaving the meeting.

Basic Agenda Item Discussion.

- The Chair announces the agenda item number and states the subject.
- The Chair calls upon the appropriate staff member or Board Member to report on the item.
- The Chair asks members of the Board/Committee if they have any questions or comments on the item. General discussion ensues.
- The Chair calls for public comment based on “Request to Speak” forms which may be submitted.
- Following public comment, the Chair announces that public comment is closed and asks if there is any further discussion by members of the Board/Committee.
- The Chair calls for a motion from members of the Board/Committee.
- Upon a motion, the Chair announces the name of the member who makes the motion. Motions require a second by a member of the Board/Committee. Upon a second, the Chair announces the name of the Member who made the second, and the vote is taken.
- The “aye” votes in favor of the motion shall be made collectively. Any Member who wishes to oppose or abstain from voting on the motion, shall individually and orally state the Member’s “nay” vote or abstention. Members present who do not individually and orally state their “nay” vote or abstention shall be deemed, and reported to the public, to have voted “aye” on the motion.

The Vote as specified in the SANBAG Bylaws - Each Member of the Board of Directors shall have one vote. In the absence of the official representative, the alternate shall be entitled to vote. (Board of Directors only.) Voting may be either by voice or roll call vote. A roll call vote shall be conducted upon the demand of five official representatives present, or at the discretion of the presiding officer.

Amendment or Substitute Motion - Occasionally a Board Member offers a substitute motion before the vote on a previous motion. In instances where there is a motion and a second, the maker of the original motion is asked if he/she would like to amend the motion to include the substitution or withdraw the motion on the floor. If the maker of the original motion does not want to amend or withdraw, the substitute motion is not addressed until after a vote on the first motion. Occasionally, a motion dies for lack of a second.

Call for the Question - At times, a Member of the Board/Committee may “Call for the Question.”

- Upon a “Call for the Question,” the Chair may order that the debate stop or may allow for limited further comment to provide clarity on the proceedings.
- Alternatively and at the Chair’s discretion, the Chair may call for a vote of the Board/Committee to determine whether or not debate is stopped.
- The Chair re-states the motion before the Board/Committee and calls for the vote on the item.

The Chair - At all times, meetings are conducted in accordance with the Chair’s direction. These general practices provide guidelines for orderly conduct. From time-to-time circumstances require deviation from general practice. Deviation from general practice is at the discretion of the Chair.

Courtesy and Decorum - These general practices provide for business of the Board/Committee to be conducted efficiently, fairly and with full participation. It is the responsibility of the Chair and Members to maintain common courtesy and decorum.

This list provides information on acronyms commonly used by transportation planning professionals. This information is provided in an effort to assist SANBAG Board Members and partners as they participate in deliberations at SANBAG Board meetings. While a complete list of all acronyms which may arise at any given time is not possible, this list attempts to provide the most commonly-used terms. SANBAG staff makes every effort to minimize use of acronyms to ensure good communication and understanding of complex transportation processes.

AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
ADT	Average Daily Traffic
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ARRA	American Recovery and Reinvestment Act
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CMAQ	Congestion Mitigation and Air Quality
CMIA	Corridor Mobility Improvement Account
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CPUC	California Public Utilities Commission
CSAC	California State Association of Counties
CTA	California Transit Association
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DBE	Disadvantaged Business Enterprise
DEMO	Federal Demonstration Funds
DOT	Department of Transportation
EA	Environmental Assessment
E&D	Elderly and Disabled
E&H	Elderly and Handicapped
EIR	Environmental Impact Report (California)
EIS	Environmental Impact Statement (Federal)
EPA	Environmental Protection Agency
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds

MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
NAT	Needles Area Transit
NEPA	National Environmental Policy Act
OA	Obligation Authority
OCTA	Orange County Transportation Authority
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PNRS	Projects of National and Regional Significance
PPM	Planning, Programming and Monitoring Funds
PSE	Plans, Specifications and Estimates
PSR	Project Study Report
PTA	Public Transportation Account
PTC	Positive Train Control
PTMISEA	Public Transportation Modernization, Improvement and Service Enhancement Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
RSTIS	Regionally Significant Transportation Investment Study
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SAFETEA-LU	Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy for Users
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
S RTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCIF	Trade Corridor Improvement Fund
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TSM	Transportation Systems Management
TSSDRA	Transit System Safety, Security and Disaster Response Account
USFWS	United States Fish and Wildlife Service
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996