



## SACOG Board of Directors

## Item #06-5-20 Report

May 11, 2006

### Executive Director's Report

*The following is a brief status report on some of the major issues and projects currently being advanced by SACOG.*

### KEY BOARD ITEMS

**\*SACOG Budget and Overall Work Program:** Included with this month's agenda are approvals for the final draft of the OWP and the SACOG agency budget. The budget is balanced, and we do not believe it contains any unstable revenues. We have budgeted \$275,000 toward building the operating reserve, post-retirement health reserve and a contingency, as outlined in the five-year budget model. Funds for this are coming from the fund balance that is available after the fiscal year 2004-05 financial audit.

As we indicated at last month's meeting, the OWP has been an evolving document, but we believe we have finalized it. We have included comments and suggestions from our federal and state funding partners, as well as other stakeholders in the OWP. We have also added what we expect to be the rollover amount from fiscal year 2005-06 of the Air Quality Earmark, as well as some costs that came to light as we combed through. The exact changes are identified in agenda item #14.

The SACOG budget is also on the agenda for adoption (agenda item #15). The OWP comprises 97.8% of the total agency budget, but there are also budgets for the Board of Director and Advocacy (BD&A) cost center, the Service to Other Agencies cost center, and the Capital Equipment budget which are important to SACOG operations. The BD&A budget saw a rise in revenues from dues as well as a rise in expenses. The dues increase of \$20,126 results from the natural increase in population as well as the inflation factor approved by the Board last April. Costs will be greater than last year primarily related to the Board-approved contract increase for the federal lobbyist and reimbursement costs for Board members. Upon the advice of the Administration Committee, we are reserving the insurance claim proceeds (agenda item #4) to be used as a safety net for any cost overruns in the BD&A budget.

### ISSUES:

**Flood Control:** After Board passage of an amended version of the SAFCA White Paper we are going to develop recommendations to add detail to the land use component of that document. Pending federal and state funding decisions, and movement on the main flood-related land use bill in the state legislature, (Assemblyman Wolk's AB1899) quick progress on this issue is advisable. We expect to bring a proposal to the full Board for consideration in June, after review by Director Silva's ad hoc flood committee and Director Budge's land use committee. Congratulations to the City of Roseville for receiving notice from FEMA that it will be first city in the U.S. officially certified for "Community Rating System (CRS) Classification of 1". A CRS Class 1 rating requires 4500 points and Roseville obtained 5368 points.

**Infrastructure Bonds:** We are still reading and sorting out the details of the historic package of bond measures the Legislature and Governor are sending to the ballot this November. Quick initial highlights include:

- **Transportation:** The Legislature on May 5 passed SB 1266, placing a \$19,925,000,000 transportation bond on the November 2006 general election ballot. Staff notified Board members by e-mail about the contents of this transportation bond proposal, in context of a broader bond package. Staff estimates that the SACOG region, with 5.7% of the state's population, might reasonably expect to see about \$1 billion (about 5%) of overall funds from this bond spent in this region, and ability to deliver projects in certain competitive programs in an early, timely fashion as well as close cooperation with Caltrans might affect that result. Staff notes that our region would receive a disappointingly-low 3.6% of transit funding from the bond, due to the use of formulas that reward systems with higher ridership (30% of transit funds go to Los Angeles and 55% to the Bay Area).
- **Flood:** The legislature recently approved the largest-ever state infrastructure bond bill that will make approximately \$4.09 billion available for flood control projects throughout the state. While specifics on the exact amount this region would receive are forthcoming, approval of the bond by voters would be a significant boom for local flood control projects. In the meantime, AB 142 (Nunez), which would appropriate \$500 million from the general fund for levee evaluation and repair, has been passed by the senate and assembly and is headed to governor's desk for signature.

**2006 STIP:** The California Transportation Commission adopted the 2006 State Transportation Improvement Program (STIP) at its April 27, 2006 meeting in Fresno. Compared to other regions in the state, SACOG did very well with its projects submittals in the Regional Transportation Improvement Program (RTIP). With the exception of the deletion of the \$5 million Folsom Dam Road project and the re-spreading of a few other projects, all SACOG projects were programmed, including funds for the construction of the Harbor Boulevard interchange in West Sacramento. More than \$1 billion worth of project proposals statewide were excluded from the STIP because of lack of suitable funds.

**Housing:** There are two specific references to regional plans in this \$37.3 billion bond. There is \$850 million for infill incentives in a section titled "Regional planning, housing, and infill incentives". The distribution of these funds will be set through future state legislation, and the working group we have been actively participating in through the League of Cities and CALCOG is presumed to be in a lead role drafting this language. There is \$300 million for transit oriented development, with bonus points awarded to projects that are consistent with adopted regional plans. The Board directed staff to participate actively in promoting its Blueprint during this session; there is finally some tangible evidence that this work is paying off.

**McClellan ALUP:** The update of the Airport Land Use Compatibility Plan for McClellan Field has started. Mead and Hunt Inc. is the consultant selected to start the work. One of the first issues is to resolve how extensive the environmental review will be for this plan, and in what sequence of events. Jurisdictions potentially affected by the plan are invited to a meeting to discuss this issue on May 22, at 1:30 at SACOG.

**MTP Workshop Progress:** To date we have completed 19 of the 16 community workshops. Overall, 876 citizens have participated in a MTP2030 workshop. We are learning at what scale residents would like to see investments in the regional transportation system and what types of investments are priorities for them. SACOG staff is analyzing public input from workshops to identify the planning implications of specific transportation investments. We are also working with our outreach partner Valley Vision to analyze what sectors we haven't heard from and will be developing focus group meetings over the summer to ensure we understand the interests of significant stakeholders. Over the summer, our focus will shift to developing

technical alternatives to reflect financial, institutional and engineering realities. These alternatives will be the basis for the county-scale workshops to be held simultaneously in the fall to afford the ability for sharing information across the region.

### MEETINGS AND CONFERENCES:

**Metro Chamber Cap to Cap Meeting:** By all accounts this was another productive trip for the region. Brief highlights. Several encouraging meetings on funding for the Inter-modal Facility, our number one priority this year. Supportive comments from Amtrak and Federal Railroad Administration officials, and two new possible funding sources identified (in addition to the grants possibly available through Section 9002 of SAFETEA-LU): 1) loans through the Rail Investment Fund program; and 2) private activity bonds. Those attending flood meetings said the SACOG Board's endorsement of the SAFCA White Paper was frequently helpful, and while we were there the Senate put \$35 million for local levee work in the supplemental appropriations bill (still must be approved in conference committee and signed by President). We also heard, most notably from Senator Feinstein and Congressman Lungren's office, that it is really important that the region speak with a clear voice soon on what our stance is regarding future residential construction in the floodplains. On the entertainment front the highlight clearly was Chair Fargo and Vice-Chair Dupray on stage at the same time heading up the percussion section for a lively rendition of Mustang Sally, the closing number at Mike McGowan's annual Saturday night blues party. Anyone have pictures?

### CALENDAR:

June 1 @ 10:00 a.m.	Legislation & Public Affairs Committee	SACOG
June 1 @ 1:30 p.m.	Administration Committee	SACOG
June 3 @ 10:00 a.m.	Elk Grove-Rancho Cordova-El Dorado Connector PAC	Rancho Cordova
June 3 @ 1:30 p.m.	Air Quality Committee	SACOG
June 3 @ 9:00 a.m.	East Sacramento County MTP Workshop	Citrus Heights
June 5 @ 10:00 a.m.	Housing & Land Use Committee	SACOG
June 5 @ 1:30 p.m.	Transportation Committee	SACOG
June 7 @ 6:00 p.m.	South Sacramento County MTP Workshop	Elk Grove
June 15 @ 9:00 a.m.	SACOG Board of Directors	SACOG

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