AMENDED AGENDA

1. Roll Call and Introductions:
2. Public Comments:
3. Approve Minutes of March 20, 2020:
   Additional Material: Minutes of March 20, 2020
   Recommended Action: Action
4. Annual Adjustment of the Regional Transportation Impact Fee:
   Additional Material: Staff Report
   Recommended Action: Action
5. One Voice® Options:
   Additional Material: Staff Report
6. **Executive Search Firm Process and Schedule:**  
   Additional Material: Staff Report  
   Recommended Action: Discussion

7. **Update on Sales Tax:**  
   Additional Material: No Staff Report  
   Recommended Action: Discussion

8. **2020 Measure K Ordinance and Expenditure Plan Amendment:**  
   Additional Material: Staff Report  
   Recommended Action: Action

9. **Draft 2019 Measure K Strategic Plan:**  
   Additional Material: Staff Report  
   Recommended Action: Discussion

10. **Executive Director’s Report:**

11. **Adjournment:**  
    Adjourn the meeting to Friday, June 19, 2020.

“SJCOG fully complies with Title VI of the Civil Rights Act of 1964 and related statutes and regulations in all programs and activities. For more information, or to file a Title VI related complaint see http://www.sjcog.org or call (209) 235-0600.”
AGENDA ITEM 3
MINUTES

1. The meeting was called to order by Chair Kuehne at 12:01 p.m.

Present
Mayor Doug Kuehne, Lodi.

Via Conference Call:
Councilmember Sol Jobrack, Stockton; Supervisor Kathy Miller, SJ County;
Councilmember Zuber, Ripon.

Committee Members Not Present
Mayor Robert Rickman, Tracy.

Others Present
Andrew Chesley, SJCOG Executive Director; Steve Dial, SJCOG Deputy Executive
Director; Rosie Gutierrez, SJCOG Office Administrator.

Via Conference Call
Diane Nguyen, SJCOG Deputy Director, Rod Attebery, Counsel.

2. Public Comments: None.

3. Approve Minutes of February 21, 2020

**Councilmember Jobrack joined the meeting

It was moved/seconded (Zuber/Miller) to approve the Minutes of February 21, 2020. Motion passed unanimously by roll call vote.

4. San Joaquin Regional Rail Commission Vacancy Appointment

Andrew Chesley informed the members due to unfortunate passing of Bob Johnson there
is a vacancy on the San Joaquin Regional Commission (SJRRC). Listed in the staff report
are the five sitting COG Appointees on the Rail Commission. Having discussed the
matter with the Rail Commission Executive Director and Chair, as well as the SJCOG
Chair, staff is recommending that Mayor Doug Kuehne be appointed to fill the remaining
nine months of the vacant Rail Commission seat.

It was moved/seconded (Jobrack/Miller) to recommend Mayor Doug Kuehne of Lodi fill
the vacancy on the San Joaquin Regional Rail Commission. Motion passed unanimously
by a roll call vote.
5. **San Joaquin One Voice® Project Submissions & Regional Priority Selection**
Andrew Chesley announced postponing the One Voice® trip until the fall, however he is asking for the committee to still take action on this item. Mr. Chesley stated staff is recommending all 20 projects submitted and in accordance with the regional policies adopted by the Board approving the selection of these three projects as regional priorities:

1. International Park of Commerce Interchanges (Tracy)
2. SR 99/120 Interchange Improvements (Manteca)
3. Stockton Diamond Grade Separation (SJRRC)

It was moved/seconded (Zuber/Miller) to approve the One Voice® Project submissions as identified in attachment 2 (2) approve the selection of the three projects as the regional priorities for the 2020 San Joaquin One Voice® Program. Motion passed unanimously by roll call vote.

6. **2019 SJMSCP Annual Report Release**
Steve Dial stated SJCOG, Inc. is required to submit an Annual Report to the Permitting Agencies. Mr. Dial discussed the summary of the various tables and important matters discussed in the annual report on page two of the staff report. He said the information in this report reflects accounting and activity that has been reported to staff through December 31, 2019. This item will be presented at the next board meeting.

This item was for information only.

7. **Final Congested Corridor Plan**
Diane Nguyen presented this report and said this program requires projects must be in this plan. The plan contains 53 multimodal projects within the corridor and were analyzed to develop a priority list of eleven projects that could be constructed in the Short-Term, Mid-Term, and Long-Term planning horizons. These projects provide the greatest improvements for I-205, I-5, SR 120 and SR 99 Corridor. A link is provided in the staff report to view the full document of the plan.

Ms. Nguyen stated at the Management & Finance meeting the members unanimously approved staff’s recommendation, with the accommodation of a request to study-- as a technical addendum/amendment-- cut through traffic in the Ripon area. SJCOG staff concurs with the request.

Councilmember Jobrack commented on the process.

It was moved/seconded (Zuber/Miller) to recommend that the SJCOG Board accept the Final Congested Corridor Plan. Motion passed unanimously by a roll call vote.

8. **Fiscal Year 2020/2021 State Transit Assistance Revenue Estimate & Apportionment Schedule**
Steve Dial presented this item. He said the State Controller’s Office (SCO) issued a preliminary revenue estimate for FY 2020/21 State Transit Assistance (STA) in the amount of $8.4 million. It is anticipated that these estimates could change when the SCO issues the final STA in September. Mr. Dial discussed the attached tables detailing the FY 2020/21 STA Revenue Estimate and apportionments based on previously approved methods.
It was moved/seconded (Miller/Zuber) to recommend to the Board adoption of the preliminary and apportionment schedule. Motion passed unanimously by a roll call vote.

9. **Fiscal Year 2020/21 Overall Work Program**

Steve Dial gave a brief update on this item. He said on March 5th Caltrans emailed six pages of comments to SJOG. The comments received were not substantive related to the work effort described, however, they are requesting extensive formatting. The work described in this document, along with revenues anticipated, remain the same as in the January draft. Staff will have it reformatted for the next board mailout. The Final OWP identifies $13,693,494 in revenue for SJCOG operations in FY 2020/21.

Councilmember Zuber commented on the formatting request from Caltrans. Mr. Dial said some of the work elements will have some reorganization, but will still be a work element driven program that will have task schedule and products.

Rod Attebery suggested the chair asked for public comment. Chair Kuehne asked if there were any public comments. There were no public comments.

It was moved/seconded (Zuber/Miller) to recommend to the Board adopt Final FY 2020/21 Overall Work Program. Motion passed unanimously by a roll call vote.

10. **Final Year 2020/21 Proposed Annual Financial Plan**

Steve Dial presented this item and said everything in the Annual Financial Plan (AFP) contains the same information in the OWP, however, presented in a traditional line item format compared to the work element format of the OWP. The two main areas that will have changes will be in the local transportation fund and the Measure K program for the year, however it is uncertain what that will be. Mr. Dial said, although we’re headed into a recession period, it does not have to do with the financial system; it’s driven by the COVID-19. Once the current issue with COVID-19 passes, he believes the recovery will come around fairly quickly. Staff’s recommendation is to adopt the AFP and, towards the end of FY 2019/2020, the board can make adjustments as needed.

Chair Kuehne asked for clarification on the expenditures line item for professional services proposed amount.

Councilmember Jobrack commented on purchases being made online and the sales tax from those purchases.

It was moved/seconded (Jobrack/Zuber) to recommend to the Board adoption of the FY 2020/21 Annual Financial Plan. Motion passed unanimously by a roll call vote.

Andrew Chesley informed the committee members in May or June Steve Dial will be presenting the AFP for ratification to member agencies. It is required a majority of the member agencies representing 55% of the county population approve the AFP before July 1, 2020.
11. **Executive Director’s Report:**
Andrew Chesley informed the committee members as of Monday, March 23, 2020 the office will be closed until approximately April 10th. SJCOG had to supplement some equipment in order for staff to work remotely. A process is in place in order to communicate back and forth with staff.

Chair Kuehne asked if future meetings will be conducted by Zoom or Go to Meetings. Steve Dial said SJCOG currently uses WebEx for conference calls and staff is testing it for meetings as well.

Councilmember Jobrack asked about having a live video and the public to be able to submit a request to speak. Mr. Dial said yes that is exactly what staff is working on.

Andrew Chesley added staff is also working on the ability for the public to email a request to comment. Mr. Chesley said, currently, we have live streaming but there can be a 30 second delay. Some of the challenges will be having 15 members on the board and the public requesting to speak, but staff is working on it.

Mr. Chesley recommended postponing the One Voice® trip and asked the committee members for their input. He said he is concerned about cancelling the hotel accommodations. Staff did speak with CJ Lake about postponing and there was a general concurrence.

Mr. Chesley asked if the committee members agree. Committee member are in concurrence. Mr. Dial commented on speaking to the hotel regarding cancelling the hotel.

Mr. Chesley said he raised the concern with the rail and the transit reduction of LTF funding, to start talking about ways to start making the adjustments as quickly as possible to account for the reduction.

A few members commented on the reduction in ridership in the areas and distancing themselves in vehicles.

Mr. Chesley recommended postponing the March Board meeting scheduled for next week to April 16.

After much discussion about the challenges having the March board meeting as scheduled, the committee members came to a consensus to postpone the meeting until April 16.

Mr. Chesley informed the committee members because of the COVID-19 he is putting his retirement date on hold.

12. **Adjournment:**
There being no further business to discuss, the meeting was adjourned at 1:02 p.m. to Friday, April 17, 2020.
AGENDA ITEM 4
SUBJECT: Annual Adjustment of the Regional Transportation Impact Fee

RECOMMENDED ACTION: Recommend Board Approval of the New RTIF Fee Schedule Resulting from the Annual Administrative Adjustment to go into Effect July 1, 2020

DISCUSSION:

SUMMARY:

Based on Section 3.2 from the Regional Transportation Impact Fee (RTIF) Operating Agreement, the region wide RTIF fee schedule is annually adjusted by each participating agency at the beginning of each fiscal year (July 1). The approved annual adjustment methodology is a rolling three-year average of the Engineering News-Record California Construction Cost Index (CCCI). Based on this methodology, an adjustment of the fees of +2.49% is indicated. The resulting adjusted fee structure is as follows:

Table 1: Fee Adjustment by Land Use Type

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>FY 19/20 RTIF Schedule</th>
<th>Annual Change @ 2.49%</th>
<th>FY 20/21 RTIF Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential (Single Family DUE)</td>
<td>$3,510.92</td>
<td>$87.42</td>
<td>$3,598.34</td>
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<tr>
<td>Residential (Multi-Family DUE)</td>
<td>$2,106.55</td>
<td>$52.45</td>
<td>$2,159.00</td>
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<td>Retail (Sq. Ft.)</td>
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<td>$0.03</td>
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<tr>
<td>Office (Sq. Ft.)</td>
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<tr>
<td>Commercial/Industrial (Sq. Ft.)</td>
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<td>Warehouse (Sq. Ft.)</td>
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<tr>
<td>*Other (per Trip)</td>
<td>$108.26</td>
<td>$2.70</td>
<td>$110.96</td>
</tr>
</tbody>
</table>

*Alternative fee calculation method for non-retail, non-residential development projects not otherwise adequately represented in the six land-use categories; typically projects with minimal or no building area that would nonetheless generate impacts to the transportation network. Examples include mining, intermodal and recreational facilities.
RECOMMENDATION:

Recommend Board approval of the new RTIF fee schedule resulting from the annual administrative adjustment to go into effect July 1, 2020.

FISCAL IMPACT:

The ongoing cost of administering the RTIF is anticipated in SJCOG’s FY 20-21 Overall Work Program (OWP) and will not be affected by this action.

Development fees will be adjusted. There will be an increase in RTIF revenue of:

- $87.42 for each single-family dwelling unit;
- $52.45 for each multi-family dwelling unit;
- $0.03 for each square foot of retail space;
- $0.04 for each square foot of office space;
- $0.03 for each square foot of commercial/industrial space;
- $0.01 for each square foot of warehouse space; and
- $2.70 for Other.

BACKGROUND:

Administrative Fee Adjustment

The original RTIF Operating Agreement was fully executed by SJCOG and all member agencies in 2006; a revised agreement was approved by the SJCOG Board in April 2015 and was approved by resolution by the governing boards of each member jurisdiction as of October 2015. As part of the program’s policy, the RTIF fee structure is to be administratively adjusted on an annual basis. Section 3.2 from the Operating Agreement states that the fee shall be adjusted by each participating agency on an annual basis at the beginning of each fiscal year (July 1) based on a three-year rolling average of the California Construction Cost Index (CCCI). The indices and adjustment calculations are detailed below. The historical CCCI table is included as Attachment A to the staff report.

Table 2: FY 20/21 CCCI Calculation for FY 19/20 Fee Adjustment

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<tr>
<td>Average % Change</td>
<td>1.67%</td>
<td>3.71%</td>
<td>2.09%</td>
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<tr>
<td>3 Year Average</td>
<td>2.49%</td>
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</table>

NEXT STEP(s):

Each participating agency will need to adjust their RTIF structure accordingly to take effect on July 1, 2020.
SJCOG Staff will prepare the RTIF Annual Report for Fall 2020 adoption.

COMMITTEE ACTIONS:

- *Technical Advisory Committee*—TBD
- *Management and Finance Committee*—TBD
- *Executive Committee*—TBD

ATTACHMENTS:

Attachment A - Calculation of 2020/2021 Annual RTIF Adjustment

*Prepared by Hailey Lang, Associate Regional Planner*
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STAFF REPORT

SUBJECT: One Voice® Options

RECOMMENDED ACTION: Discussion and Direction

SUMMARY:

Staff is working with CJ Lake to come up with viable options for a 2020 One Voice trip in the COVID-19 environment. CJ Lake will participate in our Executive Committee meeting to share some of the strategies that they are exploring with other clients and administration and legislative staff that they believe may work for us.

A few options that we will discuss are:

1) No One Voice effort in 2020
2) A Virtual One Voice effort
3) A smaller One Voice trip to DC in September

Complicating these efforts are concerns over what the virus will do in the months ahead, and individual concerns about health among people at home and in DC. Another issue is what will happen with an infrastructure bill this year and how best to impart a San Joaquin message. Thirdly, how will budgets at the local level, with private sponsors and at SJCOG, impact what is feasible with a One Voice trip.

Staff is looking for a 15 to 20-minute discussion with a possible scenario that we can build upon and bring back for board action in June.

Prepared By: Andrew Chesley, Executive Director
AGENDA ITEM 6
STAFF REPORT

SUBJECT: Executive Search Firm Process and Schedule

RECOMMENDED ACTION: Discussion and Direction

SUMMARY:

The Executive Director has expressed his intent to retire within the next 6 to 12 months. In order to facilitate a smooth recruitment process and to best serve the needs of the agency in this transition, it is recommended that SJCOG take on the process of hiring an executive search firm. To that end, a Request for Qualifications has been prepared and distributed by SJCOG’s Manager of Administrative Services, Ms. Calija, and SJCOG Counsel, Rod Attebery. The intent is for the Executive Committee to recommend a search firm to the full COG Board on May 28th, which will approve entering into a contract for such services.

It is possible to do an RFQ process in May with firms given two weeks to respond, the Executive Committee holding a special meeting to recommend a firm and the Board acting this month. That is how we are proceeding. SJCOG staff has asked Executive Committee members to reserve a time on Tuesday May 26, to meet in a special session to review the firms and make a recommendation to the full board. Mr. Attebery will lead that effort with the Executive Committee.

The last time the SJCOG Board did a similar process was 2005. At that time, the Board approved a contract with a search firm in July, 2005, and selected an Executive Director at a special SJCOG Board meeting in early December. This year is a little different in that at least four of the twelve COG Board members will not run for re-election or will be termed out of their present office in January. At the other extreme, another four members could either be elected to another office or not win reelection. This would argue for an experienced board to make the selection in 2020. A clearly undesirable result would be a process that straddles the transition.

The Executive Director is willing to work with the board to set a retirement date within that six month time frame that will best work for the agency.

Some specific questions to ask an Executive Search firm are 1) how do we search for an Executive Director differently during the COVID-19 public health crisis: 2) are there benefits that we may need to look at differently to expand the pool of qualified candidates (retirement being one in particular); and 3) how should we handle travel and remote meeting capabilities during the interview process? The Executive Committee will likely have more questions to ask.

Prepared by: Andrew Chesley, Executive Director
STAFF REPORT

SUBJECT: 2020 Measure K Ordinance and Expenditure Plan Amendment

RECOMMENDED ACTION: Recommend to the SJCOG Board that they amend the Measure K Renewal Ordinance to revise the Regional Congestion Management Plan language as shown in Attachment B.

SUMMARY:
On February 4, 2020, SJCOG announced the annual process for interested parties to submit proposals for amendments to the Measure K Ordinance and Expenditure Plan. SJCOG staff evaluates all proposals based upon project merits, project readiness, regional significance, and fiscal impact on the delivery of the Measure K Program. SJCOG received no requests in writing from any interested parties prior to the deadline of March 31, 2020. Given the COVID-19 situation, SJCOG staff reached out to staff at the local agencies and confirmed that no amendments to the Measure K Ordinance and Expenditure Plan were being requested at this time.

In December 2019, the SJCOG Board approved starting the process of “opting-out” of the state Congestion Management Program (CMP). This was due to the change in state law that requires switching from analyzing level of service (LOS) to Vehicle Miles Traveled (VMT) for traffic impact analysis. “Opting-out” of the state CMP requirements is the first task in building a platform to consider new ways of measuring transportation system performance along with VMT that complement efforts to combat climate change, support sustainable, vibrant communities, and improve mobility. However, SJCOG compliance with the federal Congestion Management Process is still required under federal law.

To complete the opt-out process it is now necessary to amend the Measure K Renewal Ordinance to revise the Regional Congestion Management Plan language as shown in Attachment B.

RECOMMENDATION:
SJCOG recommends that the Executive Committee recommend to the SJCOG Board that they amend the Measure K Renewal Ordinance to revise the Regional Congestion Management Plan language as shown in Attachment B.
FISCAL IMPACT:

None at this time.

BACKGROUND:

In 2006, the voters of San Joaquin County renewed the Measure K half-cent sales tax program for 30 years through 2041. The Measure K Expenditure Plan calls for local streets and roads repair, projects to reduce congestion on streets and highways, passenger rail and bus service, as well as railroad grade separations. There is a provision in Measure K that allows for amendments to the Ordinance and Expenditure Plan every fiscal year.

NEXT STEPS:

The SJCOG Board will consider this request to amend the Measure K Expenditure Plan at a public hearing on May 28, 2020. If the Board approves the amendment request, SJCOG staff will notify all cities in San Joaquin and the County of San Joaquin of the Board action.

As described in Section 9: Amendments the Measure K Ordinance, subsection 9.03,

In the event that a local jurisdiction does not agree with the Authority's amendments(s), the jurisdiction's policy decision-making body must, by a majority vote, determine to formally notify the Authority of its intent, in writing by registered mail, to obtain an override of the Authority's amendment(s). The appealing jurisdiction will have 45 days from the date the Authority adopts the proposed amendment(s) to obtain resolutions supporting an override of the amendment(s) from a majority of the cities representing a majority of the population residing within the incorporated areas of the county and from the Board of Supervisors. If a jurisdiction does not obtain the necessary resolutions supporting the override, the Authority's amendment(s) to the Ordinance will stand. If the necessary resolutions supporting the override are obtained within 45 days from the date the Authority adopts the proposed amendment(s), then the amendment(s) shall not become effective.

ATTACHMENTS:

A. 2020 Measure K Ordinance and Expenditure Plan Amendment Process

B. Revised Regional Congestion Management Plan Language

Prepared by: David Ripperda, Associate Regional Planner
In February, SJCOG sends out a letter to local jurisdictions soliciting proposals to amend Measure K Ordinance and Expenditure Plan.

In April, SJCOG staff analyzes the proposals and fiscal analysis to develop recommendations for Committees.

March 31, 2020
Deadline for Interested parties to submit proposals to amend Measure K Ordinance and Expenditure Plan.

May & June
Committee input on Measure K Ordinance and Expenditure Plan Amendments

June 25, 2019
SJCOG Board holds a public hearing on the proposed amendments. Upon completion of the hearing, the amendments must be passed by a roll call vote and must have two thirds majority of concurrence.

45 days following notice of SJCOG Board Action
In the event that a local jurisdiction does not agree with the amendments, it must, by majority vote, notify SJCOG via mail, of their intent to obtain an override of the amendments from a majority of the cities representing a majority of the population residing within the incorporated areas of the county and from the Board of Supervisors, 45 days after SJCOG provides notification of amendment.
MEASURE K RENEWAL CMP REQUIREMENTS

SECTION 7. REGIONAL CONGESTION MANAGEMENT PLAN

7.01 The Authority must have in place and be fully implementing a Regional Congestion Management Plan by January 1, 2008.

7.02 The primary goals of this Plan shall include:

(a) Monitoring Vehicle Mile Traveled (VMT) as a key indicator of growth and jobs/housing targets.
(b) Adopting programs that strive to keep the increase in VMT to an annual rate that is equal or less than the population increase.
(c) Supporting and planning for improved heavy passenger rail and regional bus connections with the Bay Area and Sacramento.
(d) Ensuring new development contributes a fair share and provides transportation improvements at the time of new construction.

7.03 The Regional Congestion Management Plan shall be in compliance with the federal Congestion Management Process. the following:

(a) Traffic Level of Service standards for all regional roadway facilities.
(b) Standards for the frequency and routing of public transit.
(c) A trip reduction and travel demand element that promotes alternative transportation modes.
(d) A program to coordinate the development review process to reduce automobile trip generation from newly developed residential and employment centers.
(e) The San Joaquin Council of Governments will review all environmental documents and/or development applications for residential, commercial, retail, and industrial development in San Joaquin County generating 125 or more peak hour trips, based on ITE factors. The San Joaquin Council of Governments will comment on each of these developments as to their impact on the region and recommend the appropriate mitigation to address the impacts the new development will have on the existing transportation system. The San Joaquin Council of Governments will coordinate with the California Department of Transportation on these comments.
(f) Use of a regional transportation and traffic computer model and database to determine the quantitative impacts of traffic from new and existing development on the regional transportation system.

7.04 An Annual Report will be produced and adopted by the Authority determining the compliance of all local agencies and the San Joaquin Council of Governments with sections 7.01 through 7.03. Should a local agency fail to comply with the requirements of this section that agency will be suspended from being allocated Congestion Relief funds for new projects until found to be in compliance. Should the San Joaquin Council of Governments fail to comply with the requirements of this section the agency will suspend expenditure of the 1% administrative funds until compliance is achieved.
AGENDA ITEM 9
SUBJECT: Draft 2019 Measure K Strategic Plan

RECOMMENDED ACTION: Discussion Only

SUMMARY:

Pursuant to the Measure K Renewal Expenditure Plan, a Strategic Plan is to be updated every two years:

SJCOG will prepare a Strategic Plan every two years. The Strategic Plan will be the master document for delivery of the Expenditure Plan projects and can be amended at any time. The purposes of the Strategic Plan are as follows:

• Defines the scope, cost, and schedule of each project
• Identifies accomplishments and critical issues
• Lists a set of amendments to these projects
• Details the revenue projections and possible financing tools needed to deliver the Expenditure Plan
• Gathers into one document the policies and procedures of the Expenditure Plan
• Serves as an annual budget

In January 2020, the SJCOG Board approved keeping the Measure K Renewal revenue estimate at the level, $2.6 billion. While the COVID-19 crisis has had a drastic impact on sales tax revenues it is currently difficult to quantify the magnitude of the economic impacts. Therefore, SJCOG staff proceeded with the Draft 2019 Strategic Plan using the $2.6 billion estimate. This estimate will be reevaluated during Fiscal Year 2020/21 as part of the 2021 Strategic Plan update.

The draft document is available for public review online at: https://www.sjcog.org/302/Plans-Publications.

RECOMMENDATION:

Discussion Only.

FISCAL IMPACT:

None at this time. There will be direct fiscal impacts from the adoption of the Measure K Strategic Plan which will set Measure K allocations for eligible projects through Fiscal Year 2030/31.
DISCUSSION:

Throughout spring 2020, SJCOG staff met with all local agencies and transit operators to discuss the implications of the Measure K financial picture and how to prioritize projects. Staff worked with project sponsors to finalize the scope, cost, and schedule of all Measure K projects. In January 2020, the SJCOG Board approved keeping the Measure K Renewal revenue estimate at the level previously adopted in the 2017 Strategic Plan update, $2.6 billion.

In April 2020, SJCOG’s financial consultant PFM completed a cash flow analysis of the Measure K Capital Program based upon existing and future anticipated debt service and revenue as shown in Figure 1. The cash flow analysis indicated that only approximately $74.5 million would be available to program to new Congestion Relief projects between Fiscal Year 2020/21 and Fiscal Year 2030/31. SJCOG developed a preliminary Strategic Plan programming scenario based upon this cash flow analysis and several underlying policies and assumptions.

Figure 1:

![Graph showing San Joaquin County Transportation Authority Total Debt Service and Capital Program Capacity]
Congestion Relief and Railroad Crossing Safety Categories

For the $74.5 million of projected new capital project capacity through FY 2030/31, staff continued to devote the entire amount to the Regional Arterial program, as the Board approved in the previous 2017 Strategic Plan update. No new capacity for the State Highway and Railroad Crossing Safety categories will be available until the last ten years of the program other than any costs savings from existing projects as they are closed out.

Of the 20 Regional Arterial projects shown below, the majority of the projects in the early years of the Strategic Plan period previously were approved for funding by the Board using available cash on hand. These existing projects include:

- Lodi: SR 99/Turner Road Interchange - $3 million for construction
- Manteca: SR 120/McKinley Avenue Interchange - $7.7 million for construction
- Ripon: Stockton Avenue Widening - $2.2 million for construction
- San Joaquin County: Pershing Avenue Widening - $2.364 million for construction
- San Joaquin County: Grant Line Road Corridor - $2.45 million for final design
- Stockton: Lower Sacramento Road Widening - $4 million for final design
- Tracy: Corral Hollow Road Widening - $13 million for construction

New programming in the early years of the Strategic Plan is very conservative. Recommended funding includes:

- Escalon: Ullrey Ave/McHenry Ave Intersection - $160,000* for environmental and design
- Manteca: SR 120/Main Street Interchange - $250,000 for Project Study Report (PSR) phase
- Manteca: SR 120/Airport Way Interchange - $250,000 for PSR phase
- San Joaquin County: Grant Line Road Corridor - $6 million* for construction
- Stockton: Pacific Avenue Widening - $250,000 for PSR phase
- Tracy: I-580/International Parkway Interchange - $816,000 for right of way phase and $1,725,000* for construction management

*Due to uncertain cash flow availability, SJCOG staff do not recommend entering into cooperative agreements for funding programmed in Fiscal Year 2021/22 or beyond until the 2021 Strategic Plan.

Starting in Fiscal Year 2025/26, funding is available for the following projects:

- Lathrop: I-5/Louise Avenue Interchange - $3,768,000 for construction
- Lodi: Harney Lane Widening - $3,250,000 for construction
- Lodi: Harney Lane Interchange - $4,000,000 for PSR phase, environmental, and design
- Lodi: SR 12 (Victor Road) Widening - $1,100,000 for PSR phase and environmental
- Ripon: SR 99/Wilma Avenue Interchange - $712,000 for PSR phase and environmental
- Stockton: Pacific Avenue Widening - $3,000,000 for construction
- Stockton: Eight Mile Road Widening - $4,000,000
- San Joaquin County: 11th Street Improvements - $5.78 million
- San Joaquin County: Escalon Bellota Road Widening - $4.7 million
Passenger Rail, Bus, and BRT Subcategories

No significant changes were made to the Passenger Rail, Bus, and BRT Subcategories. No new significant capital expenditures are recommended until after Fiscal Year 2021/22 to ensure that sufficient operating funds are available to sustain critical operations. Measure K funding for the SJCOG Travel Demand Management program is proposed to increase to $1.1 million annually by Fiscal Year 2023/24 through Fiscal Year 2030/31.

SJCOG staff recommend extending the existing Measure K cooperative agreements by one fiscal year rather than entering into new long-term agreements until the financial situation is better understood.

Bicycle, Pedestrian, and Safe Routes to School Subcategory

The Bicycle Pedestrian and Safe Routes to School Competitive Program received an advancement of funding in 2017 through the release of the $8.17 million SJCOG debt service reserve fund. As a result, funding will level out at approximately $988,500 annually from Fiscal Year 2024/25 through Fiscal Year 2040/41.

The Non-Competitive Program requires a “catch up” allocation of $2.7 million in fiscal Year 2021/22 for funding that was not distributed in Fiscal Years 2010/11 through 2015/16, and actual revenue amounts for Fiscal Years 2016/17 through 2020/21. Subsequently, starting in Fiscal Year 2022/23 the funding amount will be equal to the 40% non-competitive share of the projected revenue for the subcategory, growing from $624,127 in Fiscal Year 2022/23 to $1.1 million in Fiscal Year 2039/40.

Smart Growth Incentive Program

No changes are recommended to the programming of the Smart Growth Incentive Program. Off the top allocations will continue to increase by 4.5% annually through Fiscal Year 2040/41 to meet the $65 million requirement of the program.

Local Roadway Repair and Local Roadway Safety Program

No changes are recommended.

BACKGROUND:

Measure K is the half-cent sales tax dedicated to transportation projects in San Joaquin County. With its original passage in November 1990, Measure K began laying the groundwork for funding for a system of improved highways and local streets, new passenger rail service, regional and inter-regional bus routes, new bicycle facilities, and railroad crossings.
**Measure K Renewal:** On November 7, 2006, San Joaquin County voters decided to extend Measure K for an additional 30 years.

The categorical allocations of Measure K Renewal (hereafter referred simply as Measure K) include Local Street Repairs and Roadway Safety (35%), Congestion Relief projects (32.5%), Railroad Crossing Safety Projects (2.5%), and Passenger Rail, Bus, and Bicycles (30%), which includes subcategories for Rail Transit, Bus Transit, Bus Rapid Transit, and Bicycle, Pedestrian, and Safe Routes to Schools improvements.

The renewal of Measure K was initially estimated to generate $3 billion, but current estimates as of January 2020 are at $2.6 billion, representing a $370 million decrease.

**Measure K Strategic Plan:**

The Measure K Strategic Plan serves as the guiding document for the delivery of Measure K (Renewal) projects and programs. The Strategic Plan functions as a Measure K capital improvement program (CIP) for all eligible categories approved by San Joaquin voters. Its financial plan describes the long-term revenue forecast, capital funding requirements, borrowing needs and the associated debt service costs of the program. The current version of the Plan, the 2017 Measure K Strategic Plan, provides a twenty-year outlook of Measure K projects through Fiscal Year 2030/31.

The San Joaquin Council of Governments (SJCOG) is the administrator of the Measure K half-cent sales tax program. Due to the decrease in revenue from the Great Recession and the COVID-19 crisis, not all Measure K projects identified in the Expenditure Plan can be funded in the 30-year life of the sales tax program. The region will need to delve into difficult policy decisions and make hard choices on what Measure K projects can be funded. This means Measure K expenditures, project priorities, and policies will be re-examined and possibly new policies developed to create a financially constrained plan that balances project delivery within funding limitations.

**SCHEDULE:**

- **May 6** Draft Strategic Plan Released
- **May through June** Committee and Board input on Draft Plan
- **June 25** Adopt Final Measure K Strategic Plan

Prepared by: David Ripperda, Associate Regional Planner