



San Dieguito River Valley  
Regional Open Space Park  
18372 Sycamore Creek Road  
Escondido, CA 92025  
(858) 674-2270 Fax (858) 674-2280  
www.sdrp.org

**JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

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Supervisor, County of San Diego

Vice-Chair Dave Roberts  
Solana Beach City Council

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Scott Peters  
San Diego City Council

Dr. Philip Pryde  
Citizens Advisory Committee

Becky Bartling, Ex Officio  
22nd District Agricultural Assoc.

Dick Bobertz  
Executive Director

**AGENDA  
SAN DIEGUITO RIVER VALLEY REGIONAL OPEN SPACE PARK  
JOINT POWERS AUTHORITY**

**9:30 a.m. – 12:00 p.m.**

**Friday, July 20, 2007**

**County Administrative Center  
1600 Pacific Highway, Room 302/303  
San Diego**

Speaker slips will be available. Please fill out a slip and give it to the Chair prior to the meeting if you wish to speak to an item on the agenda. The Board may take action on any item listed on the Consent or Action agenda.

Introductions and Announcements.

Approval of the Minutes of June 15, 2007

Executive Directors Report

Public Comment

This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board and not appearing on today's agenda. Comments relating to items on today's agenda are to be taken at the time the item is heard. Pursuant to the Brown Act, no action shall be taken by the Board on public comment items.

ACTION

1. Memorandum of Agreement with SANDAG re Oversight for Lake Hodges Bicycle/Pedestrian Bridge (Page 3)
2. San Dieguito River Park Endowment Fund Investments (Page 11)

INFORMATION

3. Status Reports (Oral)
  - a. River Park Projects:
    - i. Sikes Adobe Historic Farmstead

- ii. Lake Hodges Bike Ped Bridge
- iii. Del Dios Gorge Trail
- iv. Wetland Restoration Project/Coastal Trail
- b. Via de la Valle/El Camino Real Road Task Force
- c. Rancho Santa Fe Polo Club
- d. Other
- 4. Jurisdictional Status Reports

An opportunity for the Board members to report on actions taken within their jurisdictions to further the park planning process, or on problems which have arisen.

- 5. Communications

THE NEXT REGULAR JPA MEETING IS SCHEDULED FOR FRIDAY, AUGUST 17, 2007.

If you have any questions, please call Dick Bobertz at (858) 674-2270.

\*\*\*\*Due to the high cost of printing and mailing the JPA and CAC agendas, the JPA has converted to an email distribution of both agendas. Please advise the office at 858 674-2270 if you do not have an e-mail address and want other arrangements will be made. Full packets will continue to be mailed free of charge to JPA and CAC members upon request. For others, the cost of the full agenda, with backup material, is \$45 per year, and the cost of the agenda without backup material is \$10 per year. **The agenda and minutes are available at no cost on the San Dieguito River Park web site at [www.sdrp.org](http://www.sdrp.org)**

**Agenda Item 1**  
**July 20, 2007**

**TO:** JPA Board

**FROM:** Staff

**SUBJECT:** Memorandum of Understanding among SANDAG, City of Escondido and JPA re Lake Hodges Bicycle Pedestrian Bridge

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**RECOMMENDATION:**

Authorize Executive Director to execute Memorandum of Understanding among SANDAG, City of Escondido and JPA re Lake Hodges Bicycle Pedestrian Bridge.

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**SITUATION:**

Attached is a proposed MOU that SANDAG has prepared. It would accomplish two things. One, it would establish a process for the San Dieguito River Park to receive Transnet funds previously awarded by SANDAG in the amount of \$1,875,000 via the City of Escondido. The reason for this is that the JPA is not a SANDAG member agency and therefore not eligible to receive funds directly from SANDAG. The \$500,000 in Transnet funds that your Board received several years ago from SANDAG was also distributed via the City of Escondido. The second thing that this MOU would accomplish is to describe the oversight that SANDAG desires to have over the bidding and construction on the Lake Hodges Bicycle/Pedestrian Bridge and establish a cost schedule for that oversight because they require reimbursement for their staff time. Attachment 2 shows the proposed costs. JPA staff recommends that your Board authorize the Executive Director to execute the Memorandum of Understanding, but also to discuss with SANDAG staff the option of a Time and Material billing instead of a Fixed Price, as it is unknown at this time how much time would actually be needed for oversight.

**FISCAL IMPACT**

The \$24,975 in costs shown in Attachment 2 would have to come from the funding available for the construction of the Lake Hodges Bicycle/Pedestrian Bridge, and would increase the funding shortfall accordingly.

**CAC RECOMMENDATION**

This item has not been reviewed by the CAC.

**ALTERNATIVES**

1. Authorize the Executive Director to execute the MOU.
  2. Do not authorize the Executive Director to execute the MOU and give staff other direction.
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**RECOMMENDATION:**

Authorize Executive Director to execute Memorandum of Understanding among SANDAG, City of Escondido and JPA re Lake Hodges Bicycle Pedestrian Bridge.

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Respectfully submitted,

Dick Bobertz  
Executive Director

Attachment 1: Draft MOU

**MEMORANDUM OF UNDERSTANDING  
BETWEEN SAN DIEGO ASSOCIATION OF GOVERNMENTS  
THE SAN DIEGUITO RIVER PARK JOINT POWERS AUTHORITY  
AND THE CITY OF ESCONDIDO  
REGARDING THE LAKE HODGES BICYCLE AND PEDESTRIAN BRIDGE**

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This Memorandum of Understanding ("MOU") is made and entered into effective as of this Insert\_Text day of Month, Year, by and between the San Diego Association of Governments ("SANDAG"), the San Dieguito River Park Joint Powers Authority ("River Park") and the City of Escondido ("City") for the development of the Lake Hodges Bicycle and Pedestrian Bridge ("the Bridge").

**RECITALS**

The following recitals are a substantive part of this Agreement:

WHEREAS, the River Park has requested funding in the amount of \$1,875,000 toward construction of the Lake Hodges pedestrian and bicycle bridge; and

WHEREAS, in order to program funding from the *TransNet* Bicycle, Pedestrian, and Neighborhood Safety program for this projects, the funds have to be awarded to an eligible jurisdiction and passed through to the River Park; and

WHEREAS, City is willing and able to receive the funds and pass them through to the River Park; and

WHEREAS, the SANDAG Board of Directors has agreed to program \$1,875,000 for the Lake Hodges Pedestrian and Bicycle Bridge ("Bridge") provided that SANDAG is actively involved in project oversight starting with the bid process, and staff provides quarterly progress reports on the Bridge construction process to the Independent Taxpayers Oversight Committee; and

WHEREAS, the parties wish to memorialize their agreement in this MOU to carry out the purposes set forth above;

**AGREEMENT**

NOW THEREFORE, in consideration of the foregoing substantive recitals and the mutual promises set forth herein, the parties agree as follows:

**SANDAG AGREES:**

1. To allocate \$1,875,000 to City from the FY 2009 *TransNet* Bicycle, Pedestrian, and Neighborhood Safety Program for construction of the Bridge.
2. To provide oversight and construction management assistance to River Park for development of the Bridge. Notwithstanding the foregoing, the parties agree that SANDAG is not assuming any

responsibility for any damages, claims, litigation, or other liability arising from or connected with the Bridge.

**RIVER PARK AGREES:**

3. To provide quarterly progress reports to SANDAG on the development of the Bridge according to the schedule and format described in Attachment 1 of this MOU. Such reports may require River Park representatives to attend meetings at SANDAG.
4. To compensate SANDAG for construction management assistance and project oversight costs according to the schedule included as Attachment 2 of this MOU.
5. To use the funds provided under this MOU solely for construction of the Bridge.
6. To defend, indemnify and hold SANDAG, its Board of Directors, contract management and staff, agents, and member agencies harmless from any and all liability, claims, damages or injuries to any person or property, including injury to River Park's or City's employees, arising from or connected with River Park's or City's performance of or failure to perform its obligations under this MOU.

**CITY AGREES:**

7. To receive, account for, and pass through to River Park \$1,875,000 in *TransNet* Bicycle, Pedestrian and Neighborhood Safety funds based on documented expenses provided by River Park for the construction of the Bridge.
8. To return to SANDAG any unused funds provided by SANDAG for the Bridge, which are not used on construction of the Bridge, either upon completion of the construction of the Bridge or termination of this MOU, whichever occurs first.

**THE PARTIES MUTUALLY AGREE:**

1. That all obligations of SANDAG under the terms of this MOU are subject to the appropriation of the required resources by SANDAG and the approval of the SANDAG Board of Directors.
2. For purposes of this MOU, the phrase "construction of the Bridge" shall not include costs associated with claims or litigation.
3. Any notice required or permitted under this MOU may be personally served on the other party, by the party giving notice, or may be served by certified mail, return receipt requested, to the following addresses:

For SANDAG  
401 B Street, Suite 800  
San Diego, CA 92101  
Attn: Name

For San Dieguito River Park  
18372 Sycamore Creek Road  
Escondido, CA 92025  
Attn: Dick Bobertz, Executive Director

For City of Escondido  
201 North Broadway, Escondido  
Address2  
Attn: Gil Rojas, Finance Director

4. That unless it is amended by the parties in writing, this MOU shall terminate on March 31, 2009, or on such earlier or later date as the parties may agree to in writing. Or This MOU shall continue in effect unless and until a party to the MOU gives 60 (sixty) days written notice of its desire to withdraw from the MOU. If such notice is given, the MOU shall continue to be binding on those parties who have not formally withdrawn.
5. The indemnification provisions of this MOU shall survive termination of the MOU.
6. This MOU shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this MOU, the action shall be brought in a state or federal court situated in the County of San Diego, State of California.
7. All terms, conditions, and provisions hereof shall inure to and shall bind each of the parties hereto, and each of their respective heirs, executors, administrators, successors, and assigns.
8. For purposes of this MOU, the relationship of the parties is that of independent entities and not as agents of each other or as joint venturers or partners. The parties shall maintain sole and exclusive control over their personnel, agents, consultants, and operations.
9. No alteration or variation of the terms of this MOU shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
10. Nothing in the provisions of this MOU is intended to create duties or obligations to or rights in third parties to this MOU or affect the legal liability of the parties to this MOU.
11. This MOU may be executed in any number of identical counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument when each party has signed one such counterpart.

IN WITNESS WHEREOF, the Parties hereto have executed this MOU effective on the day and year first above written.

SAN DIEGO ASSOCIATION OF  
GOVERNMENTS

SAN DIEGUITO RIVER PARK

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**GARY L. GALLEGOS**  
Executive Director

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**DICK BOBERTZ**  
Executive Director

APPROVED AS TO FORM:

APPROVED AS TO FORM:

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**Office of General Counsel**

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**Legal Counsel**

CITY OF ESCONDIDO

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**CLAY PHILLIPS**  
**City Manager**

APPROVED AS TO FORM:

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**Legal Counsel**

Draft



Attachment 1

**Lake Hodges Bicycle and Pedestrian Bridge  
Reporting Requirements**

**Monthly Progress Reports.** Beginning on \_\_\_\_\_ and monthly thereafter until \_\_\_\_\_, the San Dieguito River Park will provide SANDAG with a monthly progress report consisting of the following elements:

- A brief narrative of progress on the project for the development of the bridge during the previous month,
- A discussion of any problems encountered in the development of the bridge
- A summary of construction expenditures incurred on the bridge for the month.

**Quarterly Status Reports.** The River Park, with the cooperation and support of SANDAG, will provide quarterly reports to the SANDAG Independent Taxpayers Oversight Committee on the third Wednesday of the month beginning on July 18, 2007 until completion of the project.

Attachment 2

**Schedule of Compensation for Technical Assistance  
In the Development of the Lake Hodges Bicycle-Pedestrian Bridge**

<b><i>Task</i></b>	<b><i>Hours</i></b>	<b><i>Cost</i></b>
Project Review	98	\$10,774
Budget and Expenditure Oversight	36	\$4,201
Consultant Services – Construction Estimate Evaluations		\$10,000
Total	134	\$24,975

**Agenda Item 2**  
**July 20, 2007**

**TO:** JPA Board  
**FROM:** Staff  
**SUBJECT:** Endowment Investments

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**RECOMMENDATION:**

Direct Finance Committee (or other Investment Committee as desired) to 1) prepare Investment Policy for your Board's consideration; 2) recommend whether to establish a passive management account that could be used for all or certain future Endowment funds; 3) recommend whether to withdraw approximately \$90,000 in distributable funds from the San Diego Foundation and invest them elsewhere; and 4) make further recommendations concerning the JPA's investments.

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**SITUATION:**

**Summary**

At your last two meetings, your Board heard presentations from each of your three existing Endowment Fund managers.

At today's meeting, your Board will hear a presentation about a different type of Endowment Fund - an internally managed investment fund that uses indexed investment tools (such as Exchange Traded Funds and index mutual funds). This type of fund would stay under the ownership and control of your Board and would be a "passive management" approach that does not involve having the funds actively managed and therefore would have lower fees.

The passive management approach would require more involvement on the part of the JPA Board. However, it seems appropriate at this time for your Board or a committee of the Board to become more involved in review of your investments whether or not your Board decides to proceed with an internally managed investment fund. Staff recommends that your Board should assign a Committee the responsibility to evaluate your existing funds' performance on a regular basis and to prepare an Investment Policy for your Board's consideration.

One reason for this recommendation is that from the information presented by your three endowment fund managers, it would be difficult for staff or your Board to determine how the funds' performance compared, given their various different investment objectives. There are

## **Agenda Item 2** **July 20, 2007**

many factors that should be analyzed, for example, whether the asset allocation matches their targets, whether the benchmarks they used to determine if they had met their targets were appropriate, or whether the risk or volatility is appropriate for the JPA's investments. Staff recommends that this type of analysis be conducted by a committee of the Board, either an existing committee such as the Budget/Administration/Policy Committee or the Acquisition/Finance Committee, or by a new Investment Committee that would be given specific assignments. An Investment Policy to be developed by the Committee and adopted by your Board would contain Standards of Performance and Reporting Standards for all SDRP managers.

In addition, at your last meeting, the representative of the San Diego Foundation revealed that the distributable income that has accumulated since 1997 to \$89,873 was not placed in an income-earning account. If those funds had been earning at a money market rate of 5% they would have increased by \$11,493.89 if reinvested with the principal in order to earn income. However, if reinvested with the principal, the funds would no longer be available to your Board for possible distribution. The San Diego Foundation has said they would be happy to meet with a subcommittee of the JPA Board to discuss current issues and the future of JPA funds at The San Diego Foundation. Staff recommends that the Investment Committee, as described above, be directed to consider options for those funds and make a recommendation to your Board at a future meeting.

### **Background**

The River Park has established endowment funds with three local foundations; the San Diego Foundation, the Rancho Santa Fe Foundation, and the Del Mar Foundation. Available funds have been spread among those three foundations in order to maximize River Park exposure to potential contributors. In fact, this has been successful, as evidenced by the San Diego Foundation giving a total of \$505,000 to the San Dieguito River Valley Conservancy and \$167,000 to the Volcan Mountain Preserve Foundation in the last ten years since our Endowment Fund was established. In combination with funds invested by the San Dieguito River Valley Conservancy, each of the foundations now has in excess of \$500,000 invested for the benefit of the River Park.

The San Diego Foundation and the Del Mar Foundation make investments based on a long term strategy because disbursements are not intended to be made for at least ten years in the case of the San Diego Foundation and up to forty years in the case of the Del Mar Foundation. The endowments established with the Rancho Santa Fe foundation, however, were established to produce revenue to support current maintenance for parcels on Bernardo Mountain and disbursements for that purpose are made each year from the fund.

**Agenda Item 2**  
**July 20, 2007**

**CAC RECOMMENDATION**

This item has not been reviewed by the CAC.

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**RECOMMENDATION:**

Direct Finance Committee (or other Investment Committee as desired) to 1) prepare Investment Policy for your Board's consideration; 2) recommend whether to establish a passive management account that could be used for all or certain future Endowment funds; 3) recommend whether to withdraw approximately \$90,000 in distributable funds from the San Diego Foundation and invest them elsewhere; and 4) make further recommendations concerning the JPA's investments.

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Respectfully submitted,

Dick Bobertz  
Executive Director