



Measure B Capital Program FY 13/14 Strategic Plan



Alameda County Transportation Commission
1111 Broadway, Suite 800
Oakland CA, 94607
www.alamedactc.org

This page intentionally left blank

ALAMEDA COUNTY TRANSPORTATION COMMISSION

MEASURE B CAPITAL PROGRAM

FY 13/14 STRATEGIC PLAN

| TABLE OF CONTENTS | Page Number |
|--|--------------------|
| <i>Purpose of the Measure B Capital Program Strategic Plan</i> | <i>1</i> |
| <i>Background of the Measure B Programs (2000 and 1986)</i> | <i>2</i> |
| <i>Measure B Capital Program Strategic Plan Overview</i> | <i>4</i> |
| <i>Measure B Capital Program Status</i> | <i>6</i> |
| <i>FY 13/14 Measure B Capital Program Strategic Plan Development</i> | <i>14</i> |
| <i>Measure B Revenue Projections</i> | <i>14</i> |
| <i>Measure B Capital Project Commitments</i> | <i>18</i> |
| <i>Future Measure B Allocations and Capital Program Cash Flow</i> | <i>23</i> |
| <i>Capital Account Interest Revenue</i> | <i>31</i> |
| <i>Approved Advances, Exchanges and Loans</i> | <i>32</i> |
| <i>Debt Financing for the 2000 Measure B Capital Program</i> | <i>33</i> |

List of Tables

| | | |
|----------|--|----|
| Table 1 | Summary of Measure B Commitments to Capital Projects | 7 |
| Table 2 | Completed 2000 Measure B Capital Projects | 10 |
| Table 3 | 2000 Measure B Projects in Construction or the Final Measure B Funded Phase | 11 |
| Table 4 | 2000 Measure B Projects Not Yet in Construction or the Final Measure B Funded Phase | 12 |
| Table 5 | Remaining 1986 Measure B Capital Project Commitments | 13 |
| Table 6 | 2000 Measure B Sales Tax Revenues Through FY 12/13 (Millions) | 16 |
| Table 7 | Summary of 2000 Measure B Commitment Growth Since Initiation | 19 |
| Table 8 | Status of 2000 and 1986 Measure B Commitments to Capital Projects | 21 |
| Table 9 | 2000 Measure B FY 13/14 Strategic Plan Allocation Plan | 25 |
| Table 10 | 1986 MB Remaining Capital Project Commitments and Expenditures | 26 |

| List of Figures | Page Number |
|--|--------------------|
| Figure 1 Annual Sales Tax Revenues for the 2000 Measure B Program (Millions) | 15 |
| Figure 2 Annual Measure B Sales Tax Revenues since FY 98/99 (Millions) | 17 |
| Figure 3 Comparisons of Capital Projects Revenue Projections from the 2000 Measure B Expenditure Plan and Strategic Plan Updates | 18 |
| Figure 4 2000 Measure B Cumulative Project Revenues, Allocations and Expenditures | 24 |
| Figure 5 2000 Measure B Capital Program Cumulative Project Revenues and Expenditures | 29 |
| Figure 6 1986 Measure B Capital Program Capital Account Balance and Cumulative Capital Expenditures | 31 |
| Figure 7 2000 Measure B Capital Program Project and Interest Revenues to Date | 32 |

ALAMEDA COUNTY TRANSPORTATION COMMISSION MEASURE B CAPITAL PROGRAM FY 13/14 STRATEGIC PLAN

Purpose of the Measure B Capital Program Strategic Plan

The Alameda County Transportation Commission (Alameda CTC) prepares an annual Strategic Plan to guide the continuing implementation of the 27 projects identified in the 2000 Measure B Transportation Expenditure Plan (2000 EP), and the remaining capital projects from the 1986 Measure B Transportation Expenditure Plan (1986 EP).

The purpose of the FY 13/14 Strategic Plan is to:

- Confirm the commitment of Measure B capital funds to each project;
- Adopt a Program Escalation Factor of 1.0 for FY 13/14;
- Establish the FY 13/14 Beginning Programmed Balance for each capital project; and
- Adopt an Allocation Plan incorporating assumptions about future allocations of 2000 Measure B capital funding and future expenditures of 1986 Measure B capital funding to be used as the basis for the financial analysis included in the FY 13/14 Strategic Plan.

The FY 13/14 Strategic Plan also confirms the existing policies and procedures related to the expenditures of Measure B capital funding. The following policies and/or procedures are included in Appendix B:

- Definition of Full Funding for Projects and Phases Prior to the Expenditure of Measure B Funds;
- Policy on Eligible Costs for Reimbursement by Measure B Capital Funds;
- Policy Regarding the Definition and Use of Excess 2000 Measure B Capital Revenues and Unused Funds;
- Policy Regarding 2000 Measure B Capital Funds Spent or Allocated to Projects that are Later Removed from the Plan;
- Policy Regarding 2000 Measure B Program Financing Costs;
- Policy Regarding the Timely Use of Allocated 2000 Measure B Capital Funds for Capital Projects;

- Policy Regarding the Timing Limitation for Environmental Approval for 2000 Measure B Capital Projects;
- Cost Allocation Policy; and
- Measure B Capital Project Funding Procedures.

No specific Capital Project Interest Revenue Policy directing the expenditure of funding from the capital account interest revenues has been adopted by the Alameda CTC. Uses of the capital account interest revenues allowed by other policies adopted by the Alameda CTC shall be in accordance with the provisions of the applicable other policy or policies.

Background of the Measure B Programs (2000 and 1986)

The 2000 Measure B Transportation Expenditure Plan outlined transportation investments and capital improvements to be funded by a half-cent sales tax collected over a 20-year period beginning April 1, 2002 and ending March 31, 2022. The 2000 Measure B Transportation Expenditure Plan (2000 Measure B) was administered by the Alameda County Transportation Improvement Authority (ACTIA) until ACTIA was merged into the Alameda CTC.

The 2000 Measure B was the second Transportation Expenditure Plan approved by the voters of Alameda County. The first plan, the 1986 Measure B Transportation Expenditure Plan (1986 Measure B), was approved in November 1986, and increased the county sales tax from 6.5 to 7.0 percent for a period of 15 years. The tax was authorized under Senate Bill 878 which allowed for any of the nine Bay Area counties under the jurisdiction of the Metropolitan Transportation Commission (MTC) to levy a sales tax of up to one percent for identified transportation projects. The 1986 Measure B was administered by the Alameda County Transportation Authority (ACTA) until ACTA was joined with ACTIA and subsequently merged into the Alameda CTC. The collection of taxes authorized by the 1986 Measure B ended in 2002 when the collection for the 2000 Measure began, but several significant projects from the 1986 Measure B Capital Program remain to be delivered.

The 2000 Measure B was developed over a period of several years, prior to the expiration of the 1986 Measure B. The reauthorization plan was allowed under the Local Transportation Authority and Improvement Act, part of the California Public Utilities Code (Subsection 180000 et seq.). In 1997 and 1998, a 40-member Expenditure Plan Committee, composed of various county interests and an 11-member Steering Committee of Alameda County elected officials, developed a Transportation Expenditure Plan. The Plan was presented at a series of public hearings and approved by a majority of the cities representing a majority of the population in incorporated Alameda County. The reauthorization measure was originally placed on the ballot in

June 1998, but failed to achieve the two-thirds majority needed to enact the sales tax. A significant outreach effort with community stakeholders was undertaken and a second expenditure plan was approved by all 14 cities and the Alameda County Board of Supervisors in the summer of 2000. The second ballot measure received overwhelming support and was adopted by voters in November 2000.

The 2000 Measure B established the basic framework for administering the 2000 Measure B Sales Tax Program, including the expenditures of Measure B funding for the Measure B programs and capital projects. The basic requirements of the 2000 Measure B are outlined below:

- The duration of the half-cent sales tax is the 20-year period beginning April 1, 2002 and ending March 31, 2022.
- The sales tax proceeds were previously administered by an 11-member ACTIA Board comprised of the following elected officials:
 - Five members of the Alameda County Board of Supervisors;
 - Three representatives from the Alameda County Mayors Conference selected from the cities of Hayward, Fremont, Newark, Union City, Pleasanton, Livermore, and Dublin;
 - Two representatives from the Alameda County Mayors Conference selected from the cities of San Leandro, Oakland, Alameda, Berkeley, Emeryville, and Piedmont; and
 - One representative appointed by the Mayor of Oakland.
- The ACTIA Board had two subcommittees: Administration/Legislation/Finance and Work Program. The functions and focus of these two committees are primarily carried out by the Programs and Projects Committee and the Finance and Administration Committee under the Alameda CTC.
- The total cost of employee salaries and benefits for the administration of the 2000 Measure B Program is limited to one percent of the revenues generated by the sales tax.
- A total 4.5 percent General and Administration (G&A) expense is allowed for sales tax implementation.
- The 2000 Measure B budgeted \$2.1 million to repay a loan for elections costs from the 1998 and 2000 elections to ACTIA from the 1986 Measure B. ACTIA repaid the total \$1.274 million in election costs in two installments: \$0.762 million in FY 2002-03 and \$0.512 million in FY 2003-04.

- The 2000 Measure B required the creation of a Citizen's Watchdog Committee (CWC) to review expenditures of the 2000 Measure B funds and report directly to the public. CWC appointments are made by the Alameda County Supervisors, the Alameda County Mayors Conference, and by designated advocacy groups with dedicated seats on the committee. The CWC was formed in June 2001 and meets quarterly, at a minimum.

In addition to the CWC, a Citizens Advisory Committee (CAC) was created as part of the 1986 Measure B to provide public input and outreach and continues to function in the same role for the 2000 Measure B program. The CAC consists of representatives appointed by the Alameda CTC Board and meets quarterly.

The merger of ACTA/ACTIA and the Alameda County Congestion Management Agency created the Alameda CTC. In March 2010, the ACTIA Board considered an Amendment to the 2000 Measure B Transportation Expenditure Plan to create the Alameda CTC. The proposed amendment was submitted to the Alameda County Board of Supervisors and the City Council of each city in the County for a minimum 45-day review and comment period. The Plan Amendment was approved following the review period.

The Alameda CTC has the responsibility for governing the combined agencies, including the implementation the remainder of the two Measure B Programs. The composition of the Alameda CTC Board was approved as follows:

- Each member of the Alameda County Board of Supervisors who shall each have one vote;
- Two members representing the City of Oakland, with the member with the longest service on Alameda CTC (or previously on ACCMA or ACTIA) having two votes and the other member having one vote;
- One member representing the City of Fremont and one member representing the City of Hayward, each of whom shall have two votes;
- Eleven members each representing one of the other 11 cities in Alameda County, each of whom shall have one vote; and
- One representative of BART and one representative of AC Transit, each of whom shall have one vote.

Measure B Capital Program Strategic Plan Overview

The development of the annual Alameda CTC Measure B Capital Program Strategic Plan update involves calibrating the "revenue-expenditure model" used for the

financial management of the Measure B Capital Programs. The capital account for the 1986 Measure B Capital Program is kept separate from the capital account for the 2000 Measure B Capital Program in accordance with the separate measures approved by the voters. The capital account revenues for the 2000 Measure B Capital Program consist of the portion of the total sales tax revenues earmarked for the capital projects. There are no more capital account revenues for the 1986 Measure B Capital Program since the collection period authorized by the 1986 Measure B concluded March 31, 2002.

The capital expenditures consist of allocated Measure B funds expended on eligible project costs. The timing of the expenditures is based on current project schedules and delivery plans. The timing and amount of future allocations are based on the current status of each capital project from the delivery and funding perspectives. The FY 13/14 Strategic Plan includes an allocation plan for the remaining Programmed Balances from which a capital program-wide cash flow is derived.

The Measure B commitments to capital projects are evaluated each fiscal year as part of the Strategic Plan update process to provide flexibility to project sponsors and to ensure that the Measure B funds are available when needed to reimburse eligible project costs. The FY 13/14 Strategic Plan takes into account the current landscape of transportation funding at the local, regional, state and federal levels. The availability of funding from some non-Measure B sources, particularly state funds, has proven unreliable in recent years and the delays in securing these funds has had a direct impact on the delivery plans of some Measure B projects relying on them.

The Alameda CTC staff and project controls team coordinate with the project sponsors and implementing agencies to compile the current project status information, including the project description, schedule, costs, and financial plans for each project. An estimate of future allocations and the resulting anticipated cash flow is also compiled and analyzed to assess the “pay-as-you-go” capacity of the program versus the need for financing measures. The program-wide cash flow takes into account the anticipated drawdown of allocated funds, which may spread over multiple fiscal years following the allocation.

The 2000 Measure B placed limitations on expenditure of 2000 Measure B funds for three capital projects that are continued in each Strategic Plan update. These projects have the following requirements that must be met before certain expenditures of Measure B funding are permitted.

- **BART Warm Springs Extension, ACTIA No. 02** – “Funds for construction of the first segment of the BART rail extension to Warm Springs in Southern Fremont may not be used until full funding for the rail connection to Santa Clara County is assured.” The Alameda CTC Board made a finding of full funding for the rail extension into

Santa Clara County on February 26, 2009 based on a January 2009 action by the Santa Clara Valley Transportation Authority (VTA) approving a full funding plan for an operable segment into Santa Clara County.

- **I-680 Sunol Express Lanes, ACTIA No. 08** – “If the current Alameda County Congestion Management Agency value pricing study determines that express lanes are operationally infeasible for both the northbound and southbound directions, excess funds may be used for construction of a new northbound HOV lane.” The value pricing study is complete and indicates that the express lanes are operationally feasible for both the northbound and southbound directions. A southbound I-680 Express Lane is complete and in operation.
- **Dumbarton Corridor Improvements, ACTIA No. 25** – “Full funding for the operations and capital costs of a rail connection will need to be secured before Expenditure Plan funds can be spent to implement the rail project.” The Alameda CTC has approved multiple extensions to the full funding deadline for the Dumbarton Corridor Improvements Project. The deadline is currently March 31, 2015.

Measure B Capital Program Status

The 2000 Expenditure Plan categorizes all capital projects as either Tier 1 or Tier 2 projects. All of the twenty-seven (27) 2000 Measure B Tier 1 capital projects are expected to be fully or partially funded through the 20-year sales tax receipts based on revenue projections and construction cost escalation. Tier 2 projects are not included in the FY 13/14 Strategic Plan.

The total of the 2000 Measure B commitments for the 27 Tier 1 capital projects from the 2000 EP is \$756.5 million. Work has been initiated on all of the original 27 Tier 1 projects. Some of these projects have been segmented into multiple stages or distinct projects, for ease of implementation, creating a total of 38 projects or project segments.

The total of the 1986 Measure B commitments to the six (6) remaining capital projects from the 1986 EP included in the Measure B Capital Program FY 13/14 Strategic Plan is \$199.6 million.

Table 1 below lists the Measure B commitments to each of the capital projects from the 2000 Measure B Capital Program and the remaining projects from the 1986 Measure B Capital Program.

| TABLE 1: Summary of Measure B Commitments to Capital Projects | | | |
|--|---|---|---|
| Project No. | Project | Total 1986 Measure B Commitment (\$ x 1,000) | Total 2000 Measure B Commitment (\$ x 1,000) |
| MB226 | I-880 to Mission Blvd East-West Connector | \$ 88,871 | \$ 0 |
| MB238 | Route 238/Mission-Foothill-Jackson Corridor Improvement | \$ 80,000 | \$ 0 |
| MB239 | I-580/Redwood Road Interchange (contribution to ACTIA No. 12) | \$ 15,000 | \$ 0 |
| MB240 | Central Alameda County Freeway System Operation Analysis | \$ 5,000 | \$ 0 |
| MB241 | Castro Valley Local Area Traffic Circulation Improvement | \$ 5,000 | \$ 0 |
| MB Var | Program-Wide and Project Closeout Costs | \$ 5,750 | \$ 0 |
| ACTIA 01 | Altamont Commuter Express Rail | \$ 0 | \$ 13,184 |
| ACTIA 02 | BART Warm Springs Extension | \$ 0 | \$ 224,448 |
| ACTIA 03 | BART Oakland Airport Connector | \$ 0 | \$ 89,052 |
| ACTIA 04 | Downtown Oakland Streetscape Improvement | \$ 0 | \$ 6,358 |
| ACTIA 05 | Fruitvale Transit Village | \$ 0 | \$ 4,435 |
| ACTIA 06 | Union City Intermodal Station | \$ 0 | \$ 12,561 |
| ACTIA 07A | Telegraph Avenue Corridor Bus Rapid Transit | \$ 0 | \$ 11,510 |
| ACTIA 07B | San Pablo Avenue Corridor Transit | \$ 0 | \$ 2,262 |
| ACTIA 07C | Telegraph Avenue Rapid Bus Service | \$ 0 | \$ 10,672 |
| ACTIA 08A | I-680 Sunol Express Lanes - Southbound | \$ 0 | \$ 15,197 |

TABLE 1: Summary of Measure B Commitments to Capital Projects

| Project No. | Project | Total 1986 Measure B Commitment (\$ x 1,000) | Total 2000 Measure B Commitment (\$ x 1,000) |
|--------------------|---|---|---|
| ACTIA 08B | I-680 Sunol Express Lanes – Northbound (Study Only) | \$ 0 | \$ 20,000 |
| ACTIA 09 | Iron Horse Transit Route | \$ 0 | \$ 6,267 |
| ACTIA 10 | I-880/Broadway-Jackson Interchange Improvement (Study Only) | \$ 0 | \$ 8,101 |
| ACTIA 11 | I-880/Washington Avenue Interchange | \$ 0 | \$ 1,335 |
| ACTIA 12 | I-580/Castro Valley Interchange Improvement | \$ 0 | \$ 11,525 |
| ACTIA 13 | Lewelling/East Lewelling Boulevard Widening | \$ 0 | \$ 13,104 |
| ACTIA 14A | I-580 WB Auxiliary Lanes (Fallon Road to Tassajara Road) | \$ 0 | \$ 2,500 |
| ACTIA 14B | I-580 WB Auxiliary Lane (Airway Boulevard to Fallon Road) | \$ 0 | \$ 2,686 |
| ACTIA 14C | I-580 E/B Auxiliary Lane (El Charro Road to Airway Boulevard) | \$ 0 | \$ 7,843 |
| ACTIA 15 | Route 92/Clawiter – Whitesell Interchange and Reliever Route | \$ 0 | \$ 27,037 |
| ACTIA 16 | Oakland Local Streets and Roads | \$ 0 | \$ 5,278 |
| ACTIA 17A | Hesperian Blvd/Lewelling Blvd Widening (Stage 1) | \$ 0 | \$ 578 |
| ACTIA 17B | Hesperian Blvd/Lewelling Blvd Widening (Stage 2) | \$ 0 | \$ 686 |
| ACTIA 18A | Westgate Parkway Extension (Wal-Mart to Williams Street) | \$ 0 | \$ 7,918 |
| ACTIA 18B | Westgate Parkway Extension (Davis Street) | \$ 0 | \$ 600 |
| ACTIA 19 | East 14th Street/Hesperian Blvd/150th Street Improvement | \$ 0 | \$ 3,218 |
| ACTIA 20 | Newark Local Streets | \$ 0 | \$ 1,422 |
| ACTIA 21 | I-238 Widening | \$ 0 | \$ 81,022 |

| TABLE 1: Summary of Measure B Commitments to Capital Projects | | | |
|--|--|---|---|
| Project No. | Project | Total 1986 Measure B Commitment (\$ x 1,000) | Total 2000 Measure B Commitment (\$ x 1,000) |
| ACTIA 22 | I-680/I-880 Cross Connector Studies (Study Only) | \$ 0 | \$ 1,233 |
| ACTIA 23 | Isabel Avenue – Route 84/I-580 Interchange | \$ 0 | \$ 26,529 |
| ACTIA 24 | Route 84 Expressway Widening | \$ 0 | \$ 96,459 |
| ACTIA 25 | Dumbarton Corridor Improvements (Newark and Union City) (Study Only) | \$ 0 | \$ 19,367 |
| ACTIA 26 | I-580 Corridor/BART to Livermore Studies (Study Only) | \$ 0 | \$ 11,831 |
| ACTIA 27A | Vasco Road Safety Improvements | \$ 0 | \$ 1,500 |
| ACTIA 27B | I-80 Integrated Corridor Mobility Project | \$ 0 | \$ 2,800 |
| ACTIA 27C | I-880 Corridor Improvements in Oakland and San Leandro | \$ 0 | \$ 5,350 |
| ACTIA 27D | CWTP/TEP Development (Study Only) | \$ 0 | \$ 50 |
| ACTIA 27E | Studies for Congested Segments and Locations on the CMP Network (Study Only) | \$ 0 | \$ 551 |
| Measure B Totals | | \$ 199,621 | \$ 756,469 |

Of the 38 2000 Measure B capital projects, thirteen projects with 2000 Measure B commitments totaling \$138.3 million have been completed. Table 2 below lists the thirteen completed 2000 Measure B capital projects.

| Table 2: Completed 2000 Measure B Capital Projects (1) | | |
|---|--|---|
| ACTIA No. | Project | 2000 Measure B Commitment (\$ x 1,000) |
| 05 | Fruitvale Transit Village | \$ 4,435 |
| 07B | San Pablo Avenue Corridor Transit | \$ 2,262 |
| 07C | Telegraph Avenue Rapid Bus Service | \$ 10,672 |
| 11 | I-880/Washington Avenue Interchange Improvement | \$ 1,335 |
| 12 | I-580/Castro Valley Interchange Improvement | \$ 11,525 |
| 14A | I-580 WB Auxiliary Lane (Fallon Road to Tassajara Road) | \$ 2,500 |
| 14C | I-580 EB Auxiliary Lane (El Charro Road to Airway Blvd) ⁽²⁾ | \$ 7,843 |
| 16 | Oakland Local Streets and Roads | \$ 5,278 |
| 17A | Hesperian Blvd/Lewelling Blvd Widening (Stage 1) | \$ 578 |
| 18A | Westgate Parkway Extension (Wal-Mart to Williams Street) | \$ 7,918 |
| 20 | Newark Local Streets | \$ 1,422 |
| 21 | I-238 Widening ⁽²⁾ | \$ 81,022 |
| 27A | Vasco Road Safety Improvements | \$ 1,500 |
| | Total | \$ 138,290 |
| Notes: | | |
| (1) Completed Projects are defined as projects that are completed and for which the Alameda CTC funding commitment has been fully expended. | | |
| (2) The 2000 Measure B commitment for ACTIA No. 14C was exchanged for non-Measure B funds on the I-580 Auxiliary Lane Project. The ACTIA No. 14C Measure B commitment is fulfilled as a contribution to the I-238 Widening Project, ACTIA No. 21. | | |

Fourteen of the 38 projects are currently under construction or in the final phase to be funded with 2000 Measure B capital funding. Table 3 below lists the fourteen projects with 2000 Measure B commitments totaling \$509.6 million.

| Table 3: 2000 Measure B Projects in Construction or the Final Measure B Funded Phase | | |
|---|---|---|
| ACTIA No. | Project | 2000 Measure B Commitment (\$ x 1,000) |
| 01 | Altamont Commuter Express Rail ⁽¹⁾ | \$ 13,184 |
| 02 | BART Warm Springs Extension | \$ 224,448 |
| 03 | BART Oakland Airport Connector | \$ 89,052 |
| 04 | Downtown Oakland Streetscape Improvement ⁽²⁾ | \$ 6,358 |
| 06 | Union City Intermodal Station | \$ 12,561 |
| 08A | I-680 Sunol Express Lanes - Southbound | \$ 15,197 |
| 13 | Lewelling/East Lewelling Boulevard Widening | \$ 13,104 |
| 14B | I-580 Westbound Auxiliary Lane – Airway Blvd to Fallon Road | \$ 2,686 |
| 17B | Hesperian Blvd/Lewelling Blvd Widening (Stage 2) ⁽³⁾ | \$ 686 |
| 22 | I-680/I-880 Cross Connector Studies (Study Only) | \$ 1,233 |
| 23 | Isabel Avenue – Route 84/I-580 Interchange | \$ 26,529 |
| 24 | Route 84 Expressway - Livermore | \$ 96,459 |
| 27B | I-80 Integrated Corridor Mobility Project | \$ 2,800 |
| 27C | I-880 Corridor Improvements in Oakland and San Leandro | \$ 5,350 |
| Total | | \$ 509,647 |
| Notes: | | |
| (1) ACTIA No. 01 is comprised of multiple projects and a portion of the projects are under construction. The 2000 Measure B funds available for ACTIA No. 01 have not yet been fully allocated. | | |
| (2) ACTIA No. 04D is complete. Phases 04A, 04B, and 04C are in the construction phase. | | |
| (3) ACTIA No. 17B is being constructed in conjunction with ACTIA No. 13. | | |

The project commitments for the remaining 2000 Measure B capital projects that are not yet in construction, or the final Measure B funded phase are shown in Table 4 with an indication of the current project phase.

| Table 4: 2000 Measure B Projects Not Yet in Construction or the Final Measure B Funded Phase | | | |
|--|---|-------------------------------------|--|
| ACTIA No. | Project | Current Phase ⁽¹⁾ | 2000 Measure B Commitment (\$ x1,000) |
| 07A | Telegraph Avenue Corridor Bus Rapid Transit | PE/Env | \$ 11,510 |
| 08B | I-680 Sunol Express Lanes – Northbound (Study Only) ⁽²⁾ | PE/Env | \$ 20,000 |
| 09 | Iron Horse Transit Route | PS&E | \$ 6,267 |
| 10 | I-880/Broadway-Jackson Interchange Improvement (Study Only) ⁽²⁾ | PE/Env | \$ 8,101 |
| 15 | Route 92/Clawiter – Whitesell Interchange and Reliever Route | PE/Env | \$ 27,037 |
| 18B | Westgate Parkway Extension (Davis Street) | PS&E | \$ 600 |
| 19 | East 14 th Street/Hesperian Blvd/150 th Street Improvements | PS&E | \$ 3,218 |
| 25 | Dumbarton Corridor Improvements (Newark and Union City) (Study Only) ⁽²⁾ | PE/Env | \$ 19,367 |
| 26 | I-580 Corridor/BART to Livermore Studies (Study Only) ⁽²⁾ | PE/Env | \$ 11,831 |
| 27D | CWTP/TEP Development (Study Only) ⁽²⁾ | Sc0 | \$ 50 |
| 27E | Studies for Congested Segments and Locations on the CMP Network (Study Only) ⁽²⁾ | Sc0 | \$ 551 |
| Total | | | \$ 108,532 |
| Notes: | | | |
| (1) Current phase: Sc0 = Planning/Scoping Phase PE/Env = Preliminary Engineering/Environmental Studies Phase PS&E = Plans, Specifications and Estimate (aka Final Design) Phase | | | |
| (2) Study Only projects do not have funds identified for construction. | | | |

The remaining projects included in the 1986 Measure B Capital Program are listed in Table 5 below. The 1986 Measure B commitments for the five individual projects listed in Table 5 were established in Amendments 1 and 2 to the 1986 Measure B Expenditure Plan approved during FY 05/06.

| Table 5: Remaining 1986 Measure B Capital Project Commitments | | | |
|---|---|------------------------------------|---|
| ACTA No. | Project | Current Phase⁽¹⁾ | 1986 Measure B Commitment⁽²⁾ (\$ x 1,000) |
| MB226 | I-880 to Mission Boulevard East-West Connector | PS&E | \$ 88,871 |
| MB238 | Route 238/Mission-Foothill-Jackson Corridor Improvements | Con | \$ 80,000 |
| MB239 | I-580/Redwood Road Interchange (contribution to ACTIA No. 12) | Closeout | \$ 15,000 |
| MB240 | Central Alameda County Freeway System Operational Analysis | Sco | \$ 5,000 |
| MB241 | Castro Valley Local Area Circulation Improvement | PE/Env | \$ 5,000 |
| MB Var | Program-wide and Project Closeout Costs | Closeout | \$ 5,750 |
| Total | | | \$ 199,621 |
| Notes: | | | |
| (1) Current phase: Sco = Planning/Scoping Phase PE/Env – Preliminary Engineering/Environmental Studies Phase PS&E = Plans, Specifications and Estimate (aka Final Design) Phase Con = Construction Phase Closeout = Various phases related to close out, including required follow on contracts for landscaping and plant maintenance. | | | |
| (2) The 1986 Measure B commitment to projects MB226, MB238, MB239, MB240 and MB241 were established by Amendments No. 1 and 2 to the 1986 Measure B Transportation Expenditure Plan approved during FY 05/06. | | | |

FY 13/14 Measure B Capital Program Strategic Plan Development

The development of the annual Alameda CTC Strategic Plan employs a four-step process:

- **2000 Measure B Revenue projections** are based on current and forecasted economic conditions;
- **Measure B Capital Project Commitments** are confirmed and the Program Escalation Factor is applied to determine the FY 13/14 Beginning Programmed Balance for each capital project;
- **Measure B Allocation Plan** is developed based on the current project delivery and funding plans; and
- **Measure B Capital Program Cash Flow** is developed to assess Alameda CTC's financial capacity to deliver the Measure B Capital Program.

Measure B Revenue Projections

Revenue collection for the 1986 Measure B concluded on March 31, 2002. Some residual revenues, based on the collection of sales tax due from previous years, were received for several fiscal years following the end of the 1986 Measure B revenue collection in FY 01/02. No future revenues are expected for the 1986 Measure B Program. The FY 13/14 beginning cash balance of the 1986 Measure B capital account is projected to be \$116 million. The FY 13/14 beginning balance combined with other assets represents the total amount of 1986 Measure B capital funding available for the remaining 1986 Measure B capital project commitments.

The ongoing 2000 Measure B sales tax is collected and distributed to the Alameda CTC by the State Board of Equalization (BOE). The BOE assesses a base fee for the costs of collecting and distributing the sales tax revenue prior to distributing the "net" tax revenues. Sales tax revenues are assigned by Alameda CTC, based on percentages prescribed by the 2000 Measure B Transportation Expenditure Plan, to one of three categories: 1) administrative expenses; 2) programmatic expenditures; and 3) capital projects. A total of 4.5% of the net sales tax revenues is allowed for administration of the Program, 57.2% is reserved for programmatic expenditures, and 38.3% is deposited into the capital projects account.

The availability of Measure B funds for capital project implementation is limited by the timing and the amount of capital account revenues. The revenue forecasts for the 20-year Program are updated each year to reflect the actual collection of sales tax revenues from previous years (FY 11/12 and prior) and the current assumptions

regarding revenue growth, which are affected by economic conditions. The updated forecasts, including the current fiscal year based on year-to-date actual receipts, are then incorporated into the annual Strategic Plan update.

The sales tax revenues authorized by the 2000 Measure B increased each fiscal year for the first six full years of collection until a two-year downturn began in FY 08/09. Revenues dropped from \$116.3 million in FY 07/08 to \$101.3 million in FY 08/09, a decrease of nearly 13%, and then dropped for a second consecutive year to \$94.5 million in FY 09/10, a decrease of another 7%. Revenues rebounded to \$105.4 million during FY 10/11, and again during FY 11/12 to 112.6 million bringing the revenues nearly back to FY 06/07 levels. The current forecast for FY 12/13 revenue is \$119.0 million. The 5.7% increase from FY 11/12 raises the annual revenues to the highest level experienced during the life of the 2000 Measure B Program. Figure 1 illustrates the annual revenues per fiscal year for each of the three categories of revenues included in the 2000 Measure B Program.

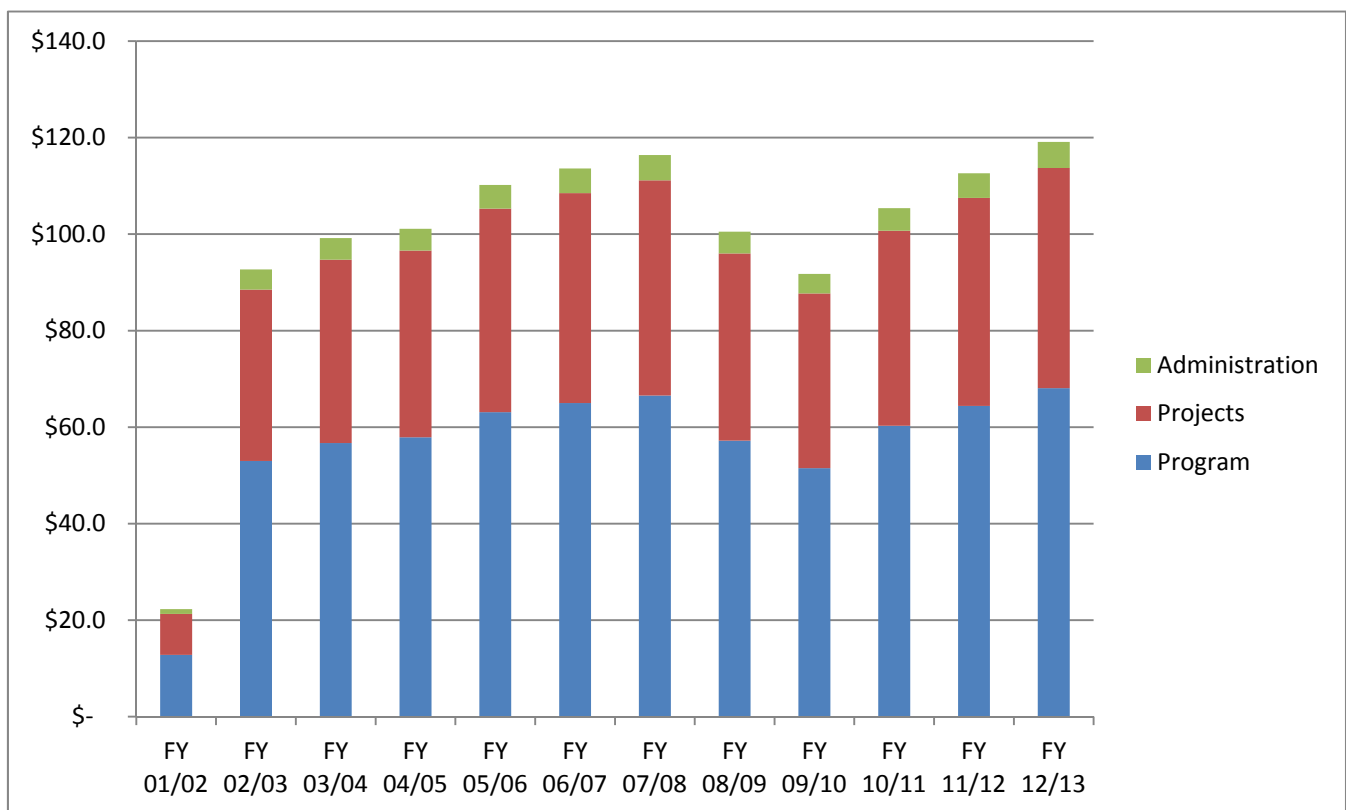


Figure 1 – Annual Sales Tax Revenues for the 2000 Measure B Program (Millions)

Table 6 below provides a summary of the 2000 Measure B revenues collected through FY 11/12 and the current forecast for FY 12/13. As shown in Table 6, the total Measure B revenues (net of the BOE fees) projected through FY 12/13 are \$1,188.6 million, with \$679.8 million set aside for programs, and \$455.1 million for capital projects.

| Fiscal Year | Total Net Revenues | | Revenues to Programs | | Revenues to Projects | |
|-------------|--------------------|------------|----------------------|------------|----------------------|------------|
| | Annual | Cumulative | Annual | Cumulative | Annual | Cumulative |
| FY 01/02 | \$ 22.3 | \$ 22.3 | \$ 12.8 | \$ 12.8 | \$ 8.5 | \$ 8.5 |
| FY 02/03 | \$ 92.7 | \$ 115.0 | \$ 53.0 | \$ 65.8 | \$ 35.5 | \$ 44.0 |
| FY 03/04 | \$ 99.1 | \$ 214.1 | \$ 56.7 | \$ 122.4 | \$ 37.9 | \$ 81.9 |
| FY 04/05 | \$ 101.1 | \$ 315.2 | \$ 57.9 | \$ 180.3 | \$ 38.7 | \$ 120.7 |
| FY 05/06 | \$ 110.3 | \$ 425.5 | \$ 63.1 | \$ 243.4 | \$ 42.3 | \$ 162.9 |
| FY 06/07 | \$ 113.7 | \$ 539.3 | \$ 65.1 | \$ 308.5 | \$ 43.6 | \$ 206.5 |
| FY 07/08 | \$ 116.3 | \$ 655.6 | \$ 66.6 | \$ 375.0 | \$ 44.6 | \$ 251.0 |
| FY 08/09 | \$ 101.3 | \$ 756.9 | \$ 58.0 | \$ 433.0 | \$ 38.8 | \$ 289.8 |
| FY 09/10 | \$ 94.5 | \$ 851.4 | \$ 54.0 | \$ 487.0 | \$ 36.2 | \$ 326.0 |
| FY 10/11 | \$ 105.4 | \$ 956.8 | \$ 60.3 | \$ 547.3 | \$ 40.4 | \$ 366.4 |
| FY 11/12 | \$ 112.6 | \$ 1,069.4 | \$ 64.4 | \$ 611.7 | \$ 43.1 | \$ 409.5 |
| FY 12/13 | \$ 119.0 | \$ 1,188.6 | \$ 68.1 | \$ 679.8 | \$ 45.6 | \$ 455.1 |

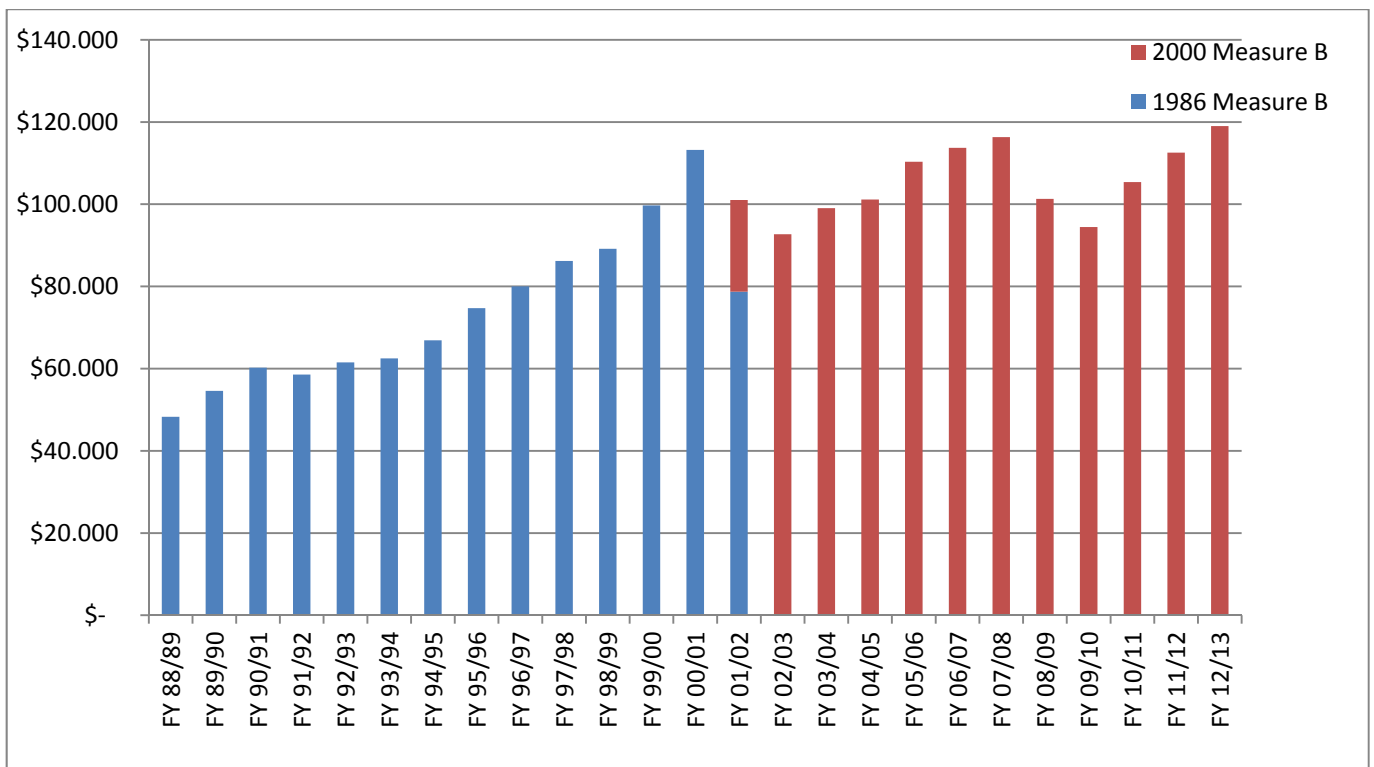
Notes:

- (1) Total net revenues include administrative costs.
- (2) The sales tax was collected only in the final quarter of FY 01/02.
- (3) Revenues through FY 11/12 are based on actual sales tax revenues and revenues for FY 12/13 are based on projections for the current fiscal year based on year-to-date receipts.
- (4) Revenues to Programs equal 57.2% of the net revenues received from the BOE.
- (5) Revenues to Projects equal 38.3% of the net revenues received from the BOE.

The recent decline in sales tax revenues represents the third period of decreasing revenues since the beginning of sales tax collection in FY 88/89 authorized by the 1986 Measure B. Figure 2 shows the annual sales tax revenues per fiscal year since FY 88/89. In spite of a modest drop in revenue during FY 90/91 and FY 91/92, there was an overall steady increase from the inception of the 1986 Measure B Program to a peak revenue

collection of \$113.2 in FY 00/01. The sales tax revenue dropped sharply in the subsequent two year period (a total decline of 18 percent) and then began a five-year recovery period which peaked at \$116.3 million in FY 07/08. The following year, FY 08/09, marked the start of another two-year decline returning revenues in FY 09/10 to FY 98/99 levels. As shown in Figure 2, the two periods of declining revenues since the approval of the 2000 Measure B Program, one at the beginning of the 2000 Measure B Program in FY 01/02 and the other in FY 08/09, have occurred at shorter intervals and have been sharper declines than the two-year decline beginning in FY 90/91. The most recent three years of growth shown in Figure 2 have resulted in the highest annual revenues since 1988.

Figure 2 – Annual Measure B Sales Tax Revenues since FY 98/99 (Millions)

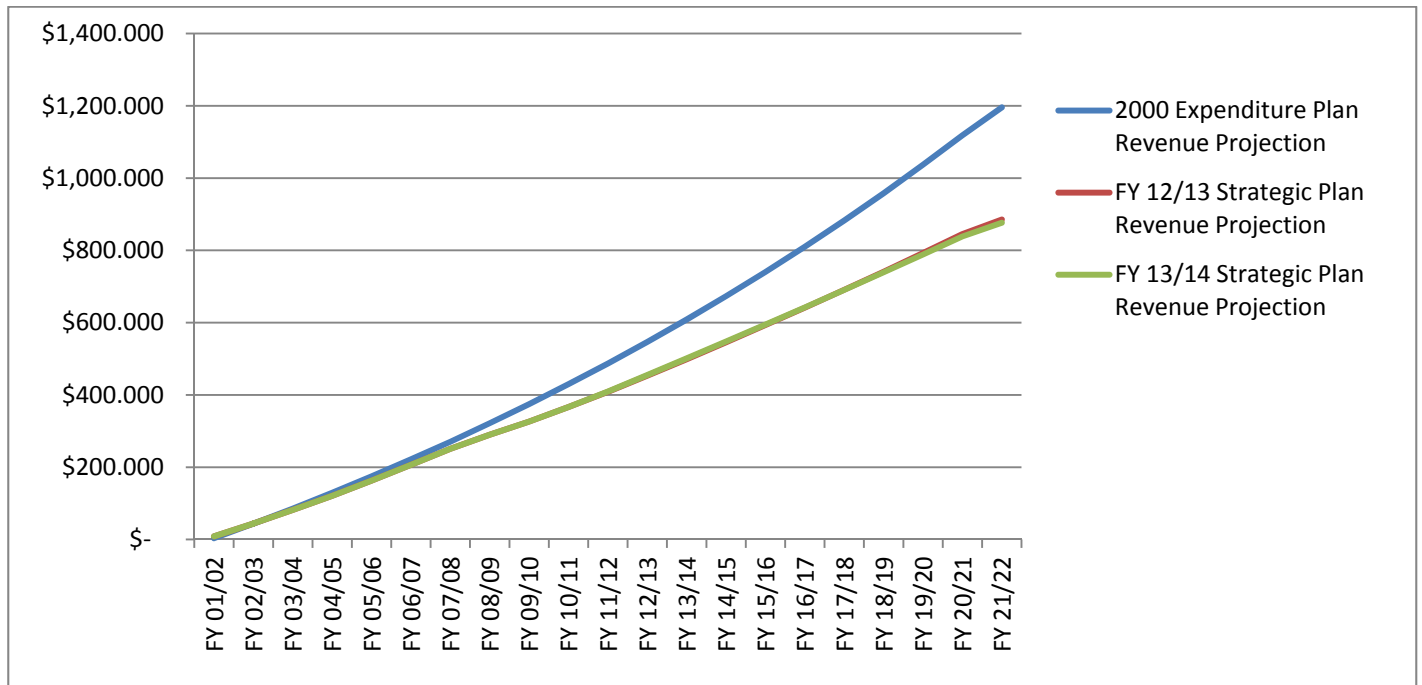


A single year of decline in revenue may take several years to achieve full recovery. Given the past trends and the depth of the recent economic downturn, the revenue projections used for the FY 13/14 Strategic Plan are based on an annual sales tax growth rate of 1.2% per year for the remainder of 2000 Measure B Program following a revenue forecast of \$120.0 million in FY 13/14.

The result of these recurring declines in revenue is that the 2000 Measure B Program is expected to generate less capital project revenue than was originally anticipated at the time the 2000 Measure B was passed by the voters. Figure 3 below shows the

projected cumulative revenues available for capital projects over the life of the 2000 Measure B Program. The original revenue projection at the time of the 2000 Measure B Transportation Expenditure included capital projects revenues of \$1.2 billion over the 20-year life of the Program. The FY 13/14 Strategic Plan projection for the capital projects revenues is \$876.4 million over the life of the 2000 Measure B Program. For comparison purposes, Figure 3 also shows the capital projects revenue projection from the FY 12/13 Strategic Plan which totaled \$885.2 million.

Figure 3 – Comparisons of Capital Projects Revenue Projections from the 2000 Measure B Expenditure Plan and Strategic Plan Updates (Millions)



Measure B Capital Project Commitments

The procedures for managing the 2000 Measure B commitments to individual capital projects are centered on allocations from the 2000 Measure B “Programmed Balance” for each capital project. The original Programmed Balance was established in the 2000 Expenditure Plan, which was used as the basis for establishing the “Initial Programmed Balance” at the beginning of revenue collection in 2002. Since 2002, the Programmed Balance for each capital project has been adjusted each year using a “Program Escalation Factor” (PEF). The PEF is typically adopted by the Alameda CTC with other Strategic Plan assumptions. During the FY 09/10 Strategic Plan process, a PEF of 1.0 was approved for the remainder of the 2000 Measure B Capital Program, which effectively holds the total of the 2000 Measure B commitments to the projects in the 2000 Measure B Capital Program at \$756.5 million. The decline in annual revenues that began in FY 08/09 prompted the freeze on the PEF.

The growth of the 2000 Measure B commitments for each of the individual capital projects, and the overall Program, are shown in Table 7.

| Table 7 Summary of 2000 Measure B Commitment Growth Since Program Initiation | | | | |
|---|--|---|---|---------------------------|
| No. | Project | 2000 MB Exp. Plan Value¹ (\$ x 1,000) | Total MB Commitment FY 13/14 Strategic Plan (\$ x 1,000) | Percent Growth |
| 01 | Altamont Commuter Express Rail | \$ 10,000 | \$ 13,184 | 32% |
| 02 | BART Warm Springs Extension | \$ 165,500 | \$ 224,448 | 36% |
| 03 | BART Oakland Airport Connector | \$ 65,800 | \$ 89,052 | 35% |
| 04 | Downtown Oakland Streetscape Improvement | \$ 5,000 | \$ 6,358 | 27% |
| 05 | Fruitvale Transit Village | \$ 3,500 | \$ 4,435 | 27% |
| 06 | Union City Intermodal Station | \$ 9,200 | \$ 12,561 | 37% |
| 07 | Telegraph Avenue and San Pablo Corridor Transit | \$ 20,000 | \$ 24,444 | 22% |
| 08 | I-680 Sunol Express Lanes | \$ 25,800 | \$ 35,197 | 36% |
| 09 | Iron Horse Transit Route | \$ 4,500 | \$ 6,267 | 39% |
| 10 | I-880/Broadway-Jackson I/C Improvement | \$ 6,000 | \$ 8,101 | 35% |
| 11 | I-880/Washington Avenue I/C Improvement | \$ 1,100 | \$ 1,335 | 21% |
| 12 | I-580/Castro Valley Interchange Improvement | \$ 9,200 | \$ 11,525 | 25% |
| 13 | Lewelling/East Lewelling Boulevard Widening. | \$ 9,800 | \$ 13,104 | 34% |
| 14 | I-580 WB and EB Auxiliary Lanes | \$ 10,000 | \$ 13,029 | 30% |
| 15 | Route 92/Clawiter-Whitesell I/C and Reliever Rte | \$ 19,500 | \$ 27,037 | 39% |
| 16 | Oakland Local Streets Rehabilitation | \$ 4,000 | \$ 5,278 | 32% |
| 17 | Hesperian Blvd/Lewelling Blvd Improvement | \$ 1,000 | \$ 1,264 | 26% |
| 18 | Westgate Parkway Extension | \$ 8,610 | \$ 10,706 | 24% |
| 19 | East 14 th Street/Hesperian Blvd/150th Street Improvement | \$ 830 | \$ 1,030 | 24% |
| 20 | Newark Local Streets | \$ 1,200 | \$ 1,422 | 19% |
| 21 | I-238 Widening | \$ 66,000 | \$ 81,022 | 23% |
| 22 | I-680/I-880 Cross Connector Studies | \$ 1,000 | \$ 1,233 | 23% |
| 23 | Isabel Avenue – Route 84/I-580 Interchange | \$ 20,000 | \$ 26,529 | 33% |
| 24 | Route 84 Expressway Widening | \$ 70,000 | \$ 96,459 | 38% |
| 25 | Dumbarton Corridor Improvements | \$ 14,700 | \$ 19,367 | 32% |
| 26 | I-580 Corridor/BART to Livermore Studies | \$ 8,700 | \$ 11,831 | 36% |
| 27 | Emerging Projects | \$ 7,600 | \$ 10,251 | 35% |
| TOTAL | | \$ 568,540 | \$ 756,469 | 33% |

Notes:
(1) The 2000 Expenditure Plan Value is shown in 1997-98 dollars from the year that the plan was developed.

Each year, as part of the Strategic Plan update, a Program Escalation Factor (PEF) is applied to the remaining programmed balance for each capital project in the 2000 Measure B Capital Program. The Beginning Programmed Balance for any given fiscal year represents the unallocated balance of the Measure B commitment to the project and the amount available for allocation at the beginning of the upcoming fiscal year. For each project, the allocations made during the fiscal year are deducted from the Beginning Programmed Balance to establish the Ending Programmed Balance for the fiscal year. The PEF is then applied to the Ending Programmed Balance to derive the Beginning Programmed Balance for the following fiscal year.

The PEF is set annually by reviewing information from various industry sources related to the costs and funding of transportation projects as well as Alameda CTC's own experience and revenue projections. Cost indices including the California Highway Construction Cost Index (CHCCI), the Consumer Price Index (CPI), and the Engineering News Record (ENR) are reviewed to provide a sense of the current trends related to costs. The revenue forecast represents a constraint on the cumulative amount of Measure B funds that can be committed to capital projects.

The 1986 Measure B commitments for the remaining 1986 Measure B capital projects (shown in Table 5 in a previous section) do not adjust in the same fashion as the 2000 Measure B commitments. The 1986 Measure B commitments are considered capped at the amounts shown in Table 5. Any additional 1986 Measure B capital funds beyond the total commitment shown in Table 5 would have to be allocated from the 1986 Measure B Capital Projects Reserve.

Table 8 below provides a current status of each of the capital projects in terms of total Measure B commitment, allocations to date, expenditures to date, and FY 13/14 Beginning Programmed Balance for both the 2000 and 1986 Measure B Capital Programs. The FY 13/14 Beginning Programmed Balance for each capital project in the 2000 Measure B Capital Program represents the amount of Measure B funding available for future allocation(s).

The Total Measure B commitments for the 1986 Measure B capital projects included in Table 8 (indicated by "MB" in the project number) are considered fully allocated. The 1986 Measure B commitments are administered differently than the 2000 Measure B commitments which are subject to the Measure B Capital Projects Funding Procedures (included in Appendix B). Both the 1986 Measure B Commitments and the 2000 Measure B Commitments must be encumbered in agreements approved by the Alameda CTC Board before any Measure B funds can be expended.

Table 8: Status of 2000 and 1986 Measure B Commitments to Capital Projects

| Project No. | Project | Total Measure B Commitment (Note 1) (\$ x 1,000) | Total Amount Allocated Through FY 12/13 (Note 2) (\$ x 1,000) | Expended Through FY 12/13 (Note 3) (\$ x 1,000) | FY 13/14 Beginning Programmed Balance (Note 4) (\$ x 1,000) |
|--------------------|---|---|--|--|--|
| MB226 | I-880 to Mission Blvd East-West Connector | \$ 88,871 | \$ 88,871 | \$ 15,334 | \$ 73,537 |
| MB238 | Route 238/Mission-Foothill-Jackson Corridor Improvement | \$ 80,000 | \$ 80,000 | \$ 80,000 | \$ 0 |
| MB239 | I-580/Redwood Road Interchange (Contribution to ACTIA No. 12) | \$ 15,000 | \$ 15,000 | \$ 10,179 | \$ 4,821 |
| MB240 | Central Alameda County Freeway System Operation Analysis | \$ 5,000 | \$ 5,000 | \$ 1,847 | \$ 3,153 |
| MB241 | Castro Valley Local Area Traffic Circulation Improvement | \$ 5,000 | \$ 5,000 | \$ 537 | \$ 4,463 |
| MB Var | Program-Wide and Project Closeout | \$ 5,750 | \$ 5,750 | \$ 161 | \$ 5,589 |
| 01 | Altamont Commuter Express Rail | \$ 13,184 | \$ 11,184 | \$ 5,204 | \$ 2,000 |
| 02 | BART Warm Springs Extension | \$ 224,448 | \$ 224,448 | \$ 94,937 | \$ 0 |
| 03 | BART Oakland Airport Connector | \$ 89,052 | \$ 89,052 | \$ 65,168 | \$ 0 |
| 04 | Downtown Oakland Streetscape Improvement | \$ 6,358 | \$ 6,358 | \$ 762 | \$ 0 |
| 05 | Fruitvale Transit Village | \$ 4,435 | \$ 4,435 | \$ 4,435 | \$ 0 |
| 06 | Union City Intermodal Station | \$ 12,561 | \$ 12,561 | \$ 12,561 | \$ 0 |
| 07A | Telegraph Avenue Corridor Bus Rapid Transit | \$ 11,510 | \$ 11,510 | \$ 6,142 | \$ 0 |
| 07B | San Pablo Avenue Corridor Rapid Bus | \$ 2,262 | \$ 2,262 | \$ 2,262 | \$ 0 |
| 07C | Telegraph Avenue Corridor Rapid Bus | \$ 10,672 | \$ 10,672 | \$ 10,672 | \$ 0 |
| 08A | I-680 Sunol Express Lanes - Southbound | \$ 19,697 | \$ 15,197 | \$ 13,361 | \$ 4,500 |
| 08B | I-680 Sunol Express Lanes - Northbound | \$ 15,500 | \$ 10,000 | \$ 2,348 | \$ 5,500 |
| 09 | Iron Horse Transit Route | \$ 6,267 | \$ 0 | \$ 0 | \$ 6,267 |
| 10 | I-880/Broadway-Jackson Interchange Improvement | \$ 8,101 | \$ 8,101 | \$ 2,171 | \$ 0 |
| 11 | I-880/Washington Avenue Interchange Improvement | \$ 1,335 | \$ 1,335 | \$ 1,335 | \$ 0 |
| 12 | I-580/Castro Valley Interchange Improvement | \$ 11,525 | \$ 11,525 | \$ 12,153 | \$ 0 |
| 13 | Lewelling/East Lewelling Boulevard Widening. | \$ 13,104 | \$ 13,104 | \$ 13,104 | \$ 0 |

Table 8: Status of 2000 and 1986 Measure B Commitments to Capital Projects

| Project No. | Project | Total Measure B Commitment (Note 1) (\$ x 1,000) | Total Amount Allocated Through FY 12/13 (Note 2) (\$ x 1,000) | Expended Through FY 12/13 (Note 3) (\$ x 1,000) | FY 13/14 Beginning Programmed Balance (Note 4) (\$ x 1,000) |
|-------------|--|--|---|---|---|
| 14A | I-580 WB Auxiliary Lanes (Fallon Road to Tassajara Road) | \$ 2,500 | \$ 2,500 | \$ 1,788 | \$ 0 |
| 14B | I-580 WB Auxiliary Lane (Airway Boulevard to Fallon Road) | \$ 2,686 | \$ 2,686 | \$ 594 | \$ 0 |
| 14C | I-580 E/B Auxiliary Lane (El Charro Road to Airway Boulevard) | \$ 7,843 | \$ 7,843 | \$ 7,799 | \$ 0 |
| 15 | Route 92/Clawiter – Whitesell Interchange and Reliever Route | \$ 27,037 | \$ 12,605 | \$ 600 | \$ 14,432 |
| 16 | Oakland Local Streets Rehabilitation | \$ 5,278 | \$ 5,278 | \$ 5,278 | \$ 0 |
| 17A | Hesperian Blvd/Lewelling Blvd Intersection Improvement – Stage 1 | \$ 578 | \$ 578 | \$ 578 | \$ 0 |
| 17B | Hesperian Blvd/Lewelling Blvd Intersection Improvement – Stage 2 | \$ 686 | \$ 686 | \$ 340 | \$ 0 |
| 18A | Westgate Parkway Extension (Wal-Mart to Williams Street) | \$ 7,918 | \$ 7,918 | \$ 7,918 | \$ 0 |
| 18B | Westgate Parkway Extension (Davis Street) | \$ 600 | \$ 600 | \$ 13 | \$ 0 |
| 19 | East 14th Street/Hesperian Blvd/150th Street Improvement | \$ 3,218 | \$ 3,218 | \$ 339 | \$ 0 |
| 20 | Newark Local Streets | \$ 1,422 | \$ 1,422 | \$ 1,422 | \$ 0 |
| 21 | I-238 Widening | \$ 81,022 | \$ 81,022 | \$ 81,022 | \$ 0 |
| 22 | I-680/I-880 Cross Connector Studies | \$ 1,233 | \$ 1,233 | \$ 715 | \$ 0 |
| 23 | Isabel Avenue – Route 84/I-580 Interchange | \$ 26,529 | \$ 25,029 | \$ 21,591 | \$ 1,500 |
| 24 | Route 84 Expressway Widening | \$ 96,459 | \$ 96,459 | \$ 20,084 | \$ 0 |
| 25 | Dumbarton Rail Corridor | \$ 19,367 | \$ 6,078 | \$ 2,452 | \$ 13,289 |
| 26 | I-580 Corridor/BART to Livermore Studies | \$ 11,831 | \$ 11,831 | \$ 8,037 | \$ 0 |
| 27A | Vasco Road Safety Improvements | \$ 1,500 | \$ 1,500 | \$ 1,500 | \$ 0 |
| 27B | I-80 Integrated Corridor Mobility Project | \$ 2,800 | \$ 2,800 | \$ 2,275 | \$ 0 |
| 27C | I-880 North Operational and Safety Improvements at 23 rd – 29 th | \$ 5,350 | \$ 5,350 | \$ 2,187 | \$ 0 |
| 27D | CWTP/TEP Development | \$ 50 | \$ 50 | \$ 0 | \$ 0 |
| 27E | Studies for Congested Segments and Locations on the CMP Network | \$ 551 | \$ 551 | \$ 0 | \$ 0 |

Table 8: Status of 2000 and 1986 Measure B Commitments to Capital Projects

| Project No. | Project | Total Measure B Commitment (Note 1) (\$ x 1,000) | Total Amount Allocated Through FY 12/13 (Note 2) (\$ x 1,000) | Expended Through FY 12/13 (Note 3) (\$ x 1,000) | FY 13/14 Beginning Programmed Balance (Note 4) (\$ x 1,000) |
|---------------------------------------|---------|--|---|---|---|
| Measure B Totals | | \$ 956,090 | \$ 908,602 | \$ 521,205 | \$ 139,051 |
| Breakdown by Measure B Program | | | | | |
| 2000 Measure B Totals | | \$ 756,469 | \$ 708,981 | \$ 413,147 | \$ 47,488 |
| 1986 Measure B Totals | | \$ 199,621 | \$ 199,621 | \$ 108,058 | \$ 91,563 |

Notes:

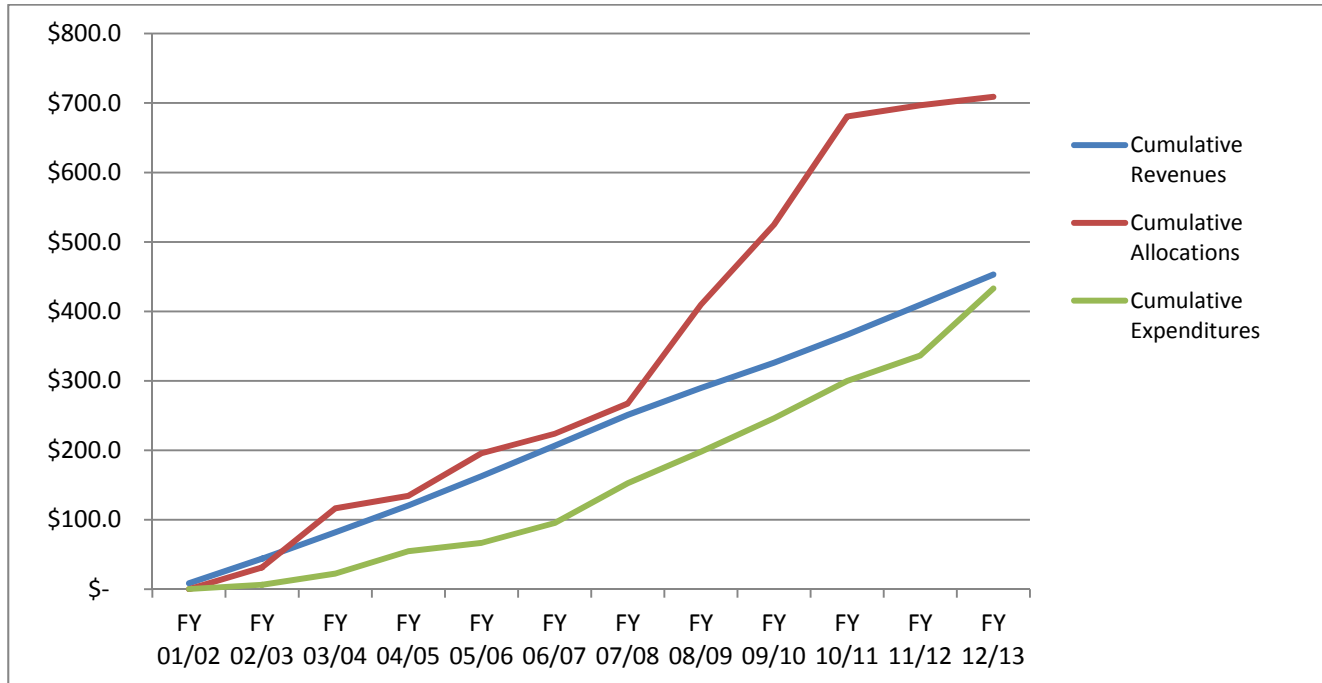
- (1) The Total Measure B Commitment amounts shown are in current year, i.e. FY 13/14, dollars.
- (2) The Total Measure B Commitment for the remaining 1986 Measure B capital projects are considered fully allocated.
- (3) The Expended through FY 12/13 amounts shown are forecast amounts based on actual expenditures to date at the time of this report.
- (4) The FY 13/14 Beginning Programmed Balance for 2000 Measure B capital projects represents the amount available for future allocation(s) effective July 1, 2013. The FY 13/14 Beginning Programmed Balance for the remaining 1986 Measure B capital projects represents the amount available for future expenditure.

Future Measure B Allocations and Capital Program Cash Flow

The determination of how long the current pay-as-you-go strategy will be viable for the remainder of the 2000 Measure B Capital Program requires estimating the rate at which expenditures of the allocations made by the Alameda CTC will occur. The allocation of Measure B funds often needs to occur prior to the implementing agency incurring the reimbursable costs, or letting a contract. The timing of the actual expenditure or drawdown of the funds lags the allocation and is more relevant to the determination of the financial capacity of the Program. Figure 4 shows the relationship of the cumulative project revenues, allocations, and expenditures of 2000 Measure B funds to date. Figure 4 also shows the cumulative amount allocated paralleling the cumulative capital project revenues until FY 08/09. The chart shows the cumulative allocations rising sharply during FY 08/09, FY 09/10, and FY 10/11 due to the allocations for the BART Warm Springs Extension, the Oakland Airport Connector, and the Route 84 Expressway Project in Livermore. These three capital projects have the three largest commitments of 2000 Measure B funds, and since the allocations were needed before the construction

contracts could be advertised and awarded, expenditures of significant portions of the allocated Measure B funds will lag the allocations by multiple years as shown in Figure 4.

Figure 4 – 2000 Measure B Cumulative Project Revenues, Allocations and Expenditures (Millions)



The FY 13/14 Measure B Strategic Plan includes an Allocation Plan for the remaining Programmed Balances of the Measure B capital projects. The Allocation Plan, along with the remaining expenditures of previously allocated Measure B funds, serves as the basis for the cash flow projections for the remainder of the Program. Table 9 shows the Allocation Plan for the \$47.5 million of remaining, unallocated 2000 Measure B Capital Program funding. Table 10 shows the timing of the expenditures of the remaining 1986 Measure B commitments to the remaining 1986 Measure B capital projects.

Table 9: 2000 Measure B FY 13/14 Strategic Plan Allocation Plan

| Project No. | Project | FY 13/14 Beginning Programmed Balance | Future Allocation Amount per FY (\$ x 1,000) | | | | |
|---------------|--|---------------------------------------|--|------------------|-----------------|------------------|-----------------|
| | | | FY 13/14 | FY 14/15 | FY 15/16 | FY 16/17 | FY 17/18 |
| 01 | Altamont Commuter Express Rail | \$ 2,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 2,000 |
| 08A | I-680 Sunol Express Lanes - Southbound | \$ 4,500 | \$ 0 | \$ 0 | \$ 1,000 | \$ 3,500 | \$ 0 |
| 08B | I-680 Sunol Express Lanes - Northbound | \$ 5,500 | \$ 1,000 | \$ 0 | \$ 0 | \$ 0 | \$ 4,500 |
| 09 | Iron Horse Transit Route | \$ 6,267 | \$ 6,267 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 15 | Route 92/Clawiter – Whitesell Interchange and Reliever Route | \$ 14,432 | \$ 1,500 | \$ 12,932 | \$ 0 | \$ 0 | \$ 0 |
| 23 | Isabel Avenue – Route 84/I-580 Interchange | \$ 1,500 | \$ 1,500 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 25 | Dumbarton Rail Corridor | \$ 13,289 | \$ 1,500 | \$ 2,000 | \$ 0 | \$ 9,789 | \$ 0 |
| TOTALS | | \$ 47,488 | \$ 11,767 | \$ 14,932 | \$ 1,000 | \$ 13,289 | \$ 6,500 |

Notes:

- The FY 13/14 Beginning Programmed Balances shown reflect the amounts of 2000 Measure B capital funding available for future allocation, i.e. FY 13/14 and later.

| Project No. | Project | Expenditure Amount per FY (\$ x 1,000) | | | | | | Totals |
|---------------|---|--|-----------------|------------------|------------------|------------------|-----------------|-------------------|
| | | Prior to FY 13/14 | FY 13/14 | FY 14/15 | FY 15/16 | FY 16/17 | FY 17/18 | |
| MB226 | I-880 to Mission Blvd East-West Connector | \$ 15,334 | \$ 5,000 | \$ 22,500 | \$ 15,000 | \$ 25,000 | \$ 6,037 | \$ 88,871 |
| MB238 | Route 238/Mission-Foothill-Jackson Corridor Improvement | \$ 80,000 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 80,000 |
| MB239 | I-580/Redwood Road Interchange (Contribution to ACTIA No. 12) | \$ 10,179 | \$ 1,350 | \$ 100 | \$ 1,000 | \$ 1,000 | \$ 1,371 | \$ 15,000 |
| MB240 | Central Alameda County Freeway System Operation Analysis | \$ 1,847 | \$ 1,400 | \$ 1,753 | \$ 0 | \$ 0 | \$ 0 | \$ 5,000 |
| MB241 | Castro Valley Local Area Traffic Circulation Improvement | \$ 537 | \$ 1,150 | \$ 3,313 | \$ 0 | \$ 0 | \$ 0 | \$ 5,000 |
| MB Var | Program-Wide and Project Closeout Costs | \$ 161 | \$ 1,050 | \$ 2,500 | \$ 1,700 | \$ 339 | \$ 0 | \$ 5,750 |
| TOTALS | | \$ 108,058 | \$ 9,950 | \$ 30,166 | \$ 17,700 | \$ 26,339 | \$ 7,408 | \$ 199,621 |

The 2000 Measure B allocations shown in Table 9 are anticipated for the following purpose(s):

1. Altamont Commuter Express (ACE) Improvements (ACTIA No. 01) – This project is a programmatic project that funds individual improvements proposed by the San Joaquin Regional Rail Commission which operates the ACE service. The eligible project list is updated regularly. The availability of \$2 million of the remaining Programmed Balance is delayed due to the advance for the I-580 Eastbound HOV/Aux Lane and Express Lane projects approved by the Commission in September 2011.
2. I-680 Sunol Express Lanes – Southbound (ACTIA 08A) - The future 2000 Measure B allocations are anticipated for future operation costs above the toll revenues available for operations as approved by the Commission in December 2012.
3. I-680 Sunol Express Lanes – Northbound (ACTIA 08B) - The future 2000 Measure B allocations are anticipated for project development, system management and integration, right of way and construction phases. The availability of \$4.5 million of the remaining Programmed Balance is delayed due to the advance for the I-580 Eastbound HOV/Aux Lane and Express Lane projects approved by the Commission in September 2011.
4. Iron Horse Transit Route (ACTIA 09) -- The future 2000 Measure B allocations are anticipated for project development, right of way and construction phases.
5. I-880/Route 92/Whitesell Drive Interchange (ACTIA 15) – The future 2000 Measure B allocation is anticipated for the construction phase.
6. Isabel Avenue - Route 84/I-580 Interchange (ACTIA 23) – The future 2000 Measure B allocations are anticipated for projects adjacent to the interchange project. The interchange construction is complete and the inter-agency agreements related to the project funding are being closed out.
7. Dumbarton Corridor Improvements – Newark and Union City (ACTIA 25) - The future 2000 Measure B allocations are anticipated for on-going project development phases and for implementation of potential phased improvements while funding for the planned overall corridor is identified. Future allocations will be made available to implementing agencies, including up to \$1 million for costs incurred directly by the Alameda CTC.

Project expenditures for projects included in the 2000 Measure B Capital Program include expenditures incurred directly by the Commission. The ACTIA Board adopted a Cost Allocation Policy in October 2009, to address the allocation of ACTIA-incurred expenses against project funding. The FY13/14 SPU includes the assumption that the Cost Allocation Policy applies to Commission-incurred expenses in the same fashion as it applied to ACTIA-incurred expenses.

The expenditures of the remaining 1986 Measure B commitments shown in Table 10 are anticipated for the following purpose(s):

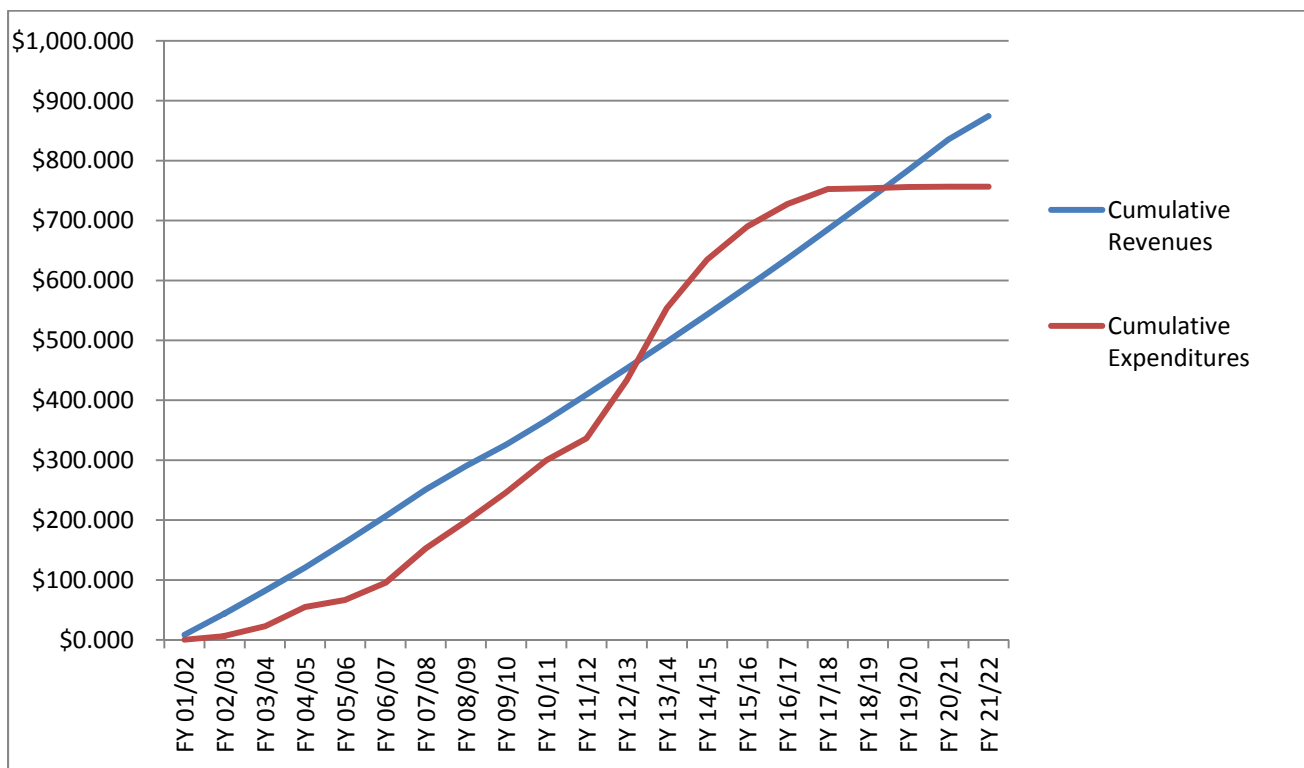
1. I-880 to Mission Boulevard East-West Connector (MB226) – The remaining 1986 Measure B commitment is for completing the on-going design, right-of-way, and utility relocation phases, and for the subsequent construction phase which is currently underfunded.
2. I-580/Redwood Road Interchange (MB239) – The 1986 Measure B commitment for this project is a funding contribution to the I-580 Castro Valley Interchange Improvement Project (ACTIA No. 12) included in the 2000 MB Capital Program. The remaining 1986 Measure B commitment is for completing the construction phase, including the three-year landscape maintenance obligation, and closing out prior phases.
3. Central Alameda County Freeway System Operational Analysis (MB240) – The remaining 1986 Measure B commitment is for continuing studies related to improving the Alameda County transportation system. The first phase of the project, which is complete, involved the development of a Local Area Transportation Improvement Program (LATIP) related to the use of proceeds from the sales of properties rendered surplus after the Hayward Bypass Project was removed from local, regional and statewide plans. The LATIP, approved by the California Transportation Commission, includes potential funding for projects within the original 3-corridor study area of the Central Alameda County Freeway System Operational Analysis Project. The next phase of the project includes countywide studies of three key aspects of the transportation system as prioritized by the Alameda CTC: 1) a countywide transit plan; 2) a countywide goods movement plan; and 3) a countywide arterial mobility corridor plan.
4. Castro Valley Local Area Traffic Circulation Improvement (MB 241) – The remaining 1986 Measure B commitment is for the project development, right of way and construction phases.
5. Program-wide and Project Closeout Costs (MB Var) - The Program-wide and Project Closeout Costs include miscellaneous costs related to program-wide activities and post-construction commitments such as follow up landscaping projects, required landscape maintenance, right-of-way settlements, right-of-way close-out, interagency agreement closeout, etc. Once project construction is closed out, any remaining 1986 Measure B commitment for the project is moved to this line item for budgeting and cashflow purposes until the project is completely closed out financially.

The 1986 Measure B commitment to the BART Warm Springs Extension project is fulfilled completely by the 2000 Measure B commitment under project ACTIA No. 02.

The 2000 Measure B Capital Program cash flow analysis included in the FY 13/14 Strategic Plan is based on the actual Measure B expenditures to date, the future expenditures of previously allocated Measure B funds, and the anticipate expenditures of the future allocations/expenditures shown in Table 9.

Figure 5 shows the cumulative 2000 Measure B Capital Program expenditures charted against the cumulative capital projects revenue for the entire 2000 Measure B Capital Program. The point at which the cumulative expenditures exceed the cumulative capital projects revenue is the point at which some type of debt financing will be required to continue providing Measure B funds at the time they are needed for eligible project expenditures. The cumulative expenditures are currently expected to exceed the cumulative revenues sometime during FY 13/14 depending on the draw down rates for the individual projects.

**Figure 5 – 2000 Measure B Capital Program
Cumulative Project Revenues and Expenditures (Millions)**



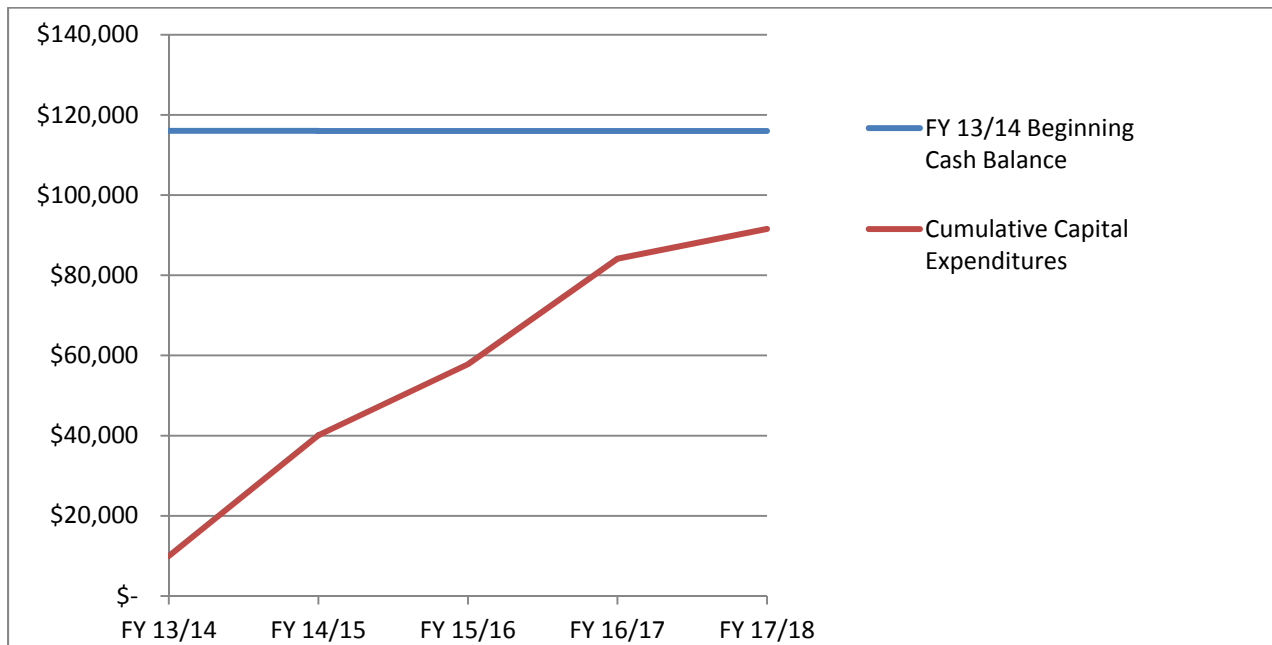
The 1986 Measure B Capital Program does not have the same financing concern as the 2000 Measure B Capital Program since the 1986 Measure B funding to fulfill the remaining 1986 Measure B capital project commitments is already in the Alameda CTC accounts.

The balance of the 1986 Measure B Capital Account includes more funding than the total of the remaining 1986 Measure B commitments to capital projects. The surplus funding is held in a Capital Projects Reserve. The Alameda CTC approved assumptions related to the Capital Projects Reserve in April 2011. The FY 13/14 Strategic Plan includes the following assumptions related to the Capital Projects Reserve:

1. The 1986 Measure B commitments to capital projects that have begun a fully funded construction phase will be adjusted to reflect the construction phase funding plan and any surplus 1986 Measure B funds, i.e. in excess of the amount in the construction phase funding plan including contingency, will be reassigned to the Capital Projects Reserve;
2. The 1986 Measure B commitments to capital projects that have closed out the final project phase, typically construction except for "Study Only" projects, with 1986 Measure B funds remaining will be adjusted to reflect the costs savings and any surplus 1986 Measure B funds will be reassigned to the Capital Projects Reserve; and
3. The 1986 Measure B Capital Projects Reserve will be held in reserve to fund additional construction phase capital costs for approved project scopes, including the potential risks and liabilities resulting from the implementation of the State Infrastructure Bond funded projects implemented wholly or in part by the Commission, and other projects sponsored by the Commission. Funds from the Capital Projects Reserve will be allocated to individual capital projects by separate Alameda CTC action as qualifying needs are identified.

Figure 6 below shows the cumulative capital expenditures for the remaining 1986 Measure B capital projects compared to the FY 13/14 beginning cash balance for the 1986 Measure B capital account. The capacity indicated at the end of the Program represents the capacity in the 1986 Measure B capital projects reserve.

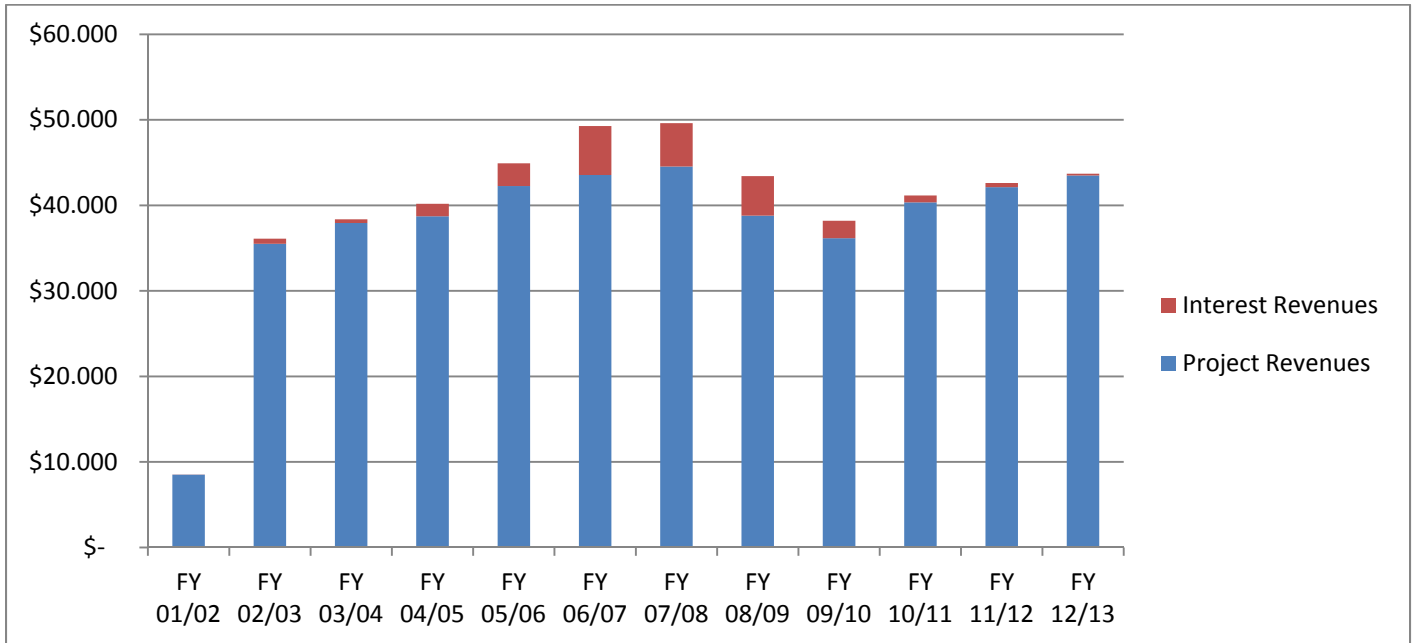
**Figure 6 – 1986 Measure B Capital Program
Capital Account Balance and Cumulative Capital Expenditures (Millions)**



Capital Projects Interest Revenue

Since the revenue collection for the 2000 Measure B Program began in the fourth quarter of FY 01/02, the 2000 Measure B Capital Program has been delivered on a “pay-as-you-go,” basis. That is, the revenues for the capital projects portion of the 2000 Measure B Program have exceeded the capital projects expenditures. The resulting balance in the capital projects account yields interest earnings. As the cumulative capital project expenditures approach the cumulative project revenues (as shown in Figure 5 above), the balance of the capital projects account is decreasing and, correspondingly, the interest earnings are also decreasing. The decline of the interest earnings can be seen graphically in Figure 7 on the next page.

**Figure 7 – 2000 Measure B Capital Program
Project and Interest Revenues to Date (Millions)**



Approved Advances, Exchanges and Loans

The Measure B capital funding is a valuable resource to Alameda County, especially during challenging economic times in which the availability of state and federal funding for transportation investments is uncertain and/or delayed. The Alameda CTC considers advances, exchanges and loans using Measure B capital funds on a case-by-case basis to leverage the benefits of the sales tax revenues. Approval of any advance, exchange or loan includes the determination that the commitments to the capital projects included in the 1986 and 2000 Measure B Capital Programs are not adversely impacted.

The Alameda CTC has approved the following advances, exchanges and loans which have been included in the program-wide cashflow models used as the basis for the financial analysis performed for the FY 13/14 Strategic Plan.

- The \$37.030 million exchange related to the 2012 State Transportation Improvement Program (STIP) and the Route 84 Expressway Widening Project (Project No. ACTIA 24) is reflected in the FY 13/14 Strategic Plan. The 2012 STIP was adopted by the California Transportation Commission and includes \$37.03 million of STIP funding programmed to the Route 84 Expressway Widening Project in the construction phase in FY 16/17. An equivalent amount from the 2000 Measure B Commitment to ACTIA No. 24 will be paid to the Local Fund Exchange Program

administered by the Alameda CTC and made available to the 13 projects included in the 2012 STIP Exchange as approved by the Alameda CTC. The exchanged funds will be distributed to the 13 projects through the CMA TIP Program administered by the Alameda CTC;

- The advance of \$8.5 million of Measure B funding from the remaining Measure B Programmed Balances for several capital projects to the I-580 Eastbound HOV/Auxiliary Lane Project and the I-580 Eastbound Express Lanes Project is reflected in the FY 13/14 Strategic Plan as approved by the Alameda CTC. The total of \$8.5 million is intended to be split between the two I-580 Eastbound projects as needed for the individual projects such that the combined amount of the advance for both projects does not exceed \$8.5 million without further Alameda CTC action. The advance is expected to be repaid from the toll revenues generated by the Express Lane operations. The timings of the advances and the repayments are based on the current project delivery status and schedules for the individual projects involved; and
- The remaining balance of the advance of 2000 Measure B capital funding per the Letter of No Prejudice (LONP) related to funding from the Traffic Congestion Relief Program (TCRP), a state level program, for the I-680 Southbound HOV Lane project along the Sunol Grade is estimated at \$1.4 million and expected to be repaid during FY 2013/14.

Any advance, exchange or loan approved by the Alameda CTC will be the subject of an agreement to establish the parameters by which the Measure B capital funds will be drawn down and repaid.

Debt Financing for the 2000 Measure B Capital Program

To date, more than \$708 million of 2000 Measure B capital funding (i.e. 94% of the total 2000 Measure B commitment to all capital projects of \$756.5 million) has been allocated for capital project expenditures. The Alameda CTC has encumbered more 2000 Measure B capital funding than can be provided to the projects on a “pay-as-you-go basis.” Current financial analysis, based on the assumptions incorporated in this FY 13/14 Strategic Plan, shows the 2000 Measure B Capital Program fund balance will be depleted before the end of FY 2013/14 without some type of borrowing.

The alternative to pay-as-you-go is some type of debt financing or borrowing to effectively make future revenues available sooner to reimburse eligible project expenditures as they are incurred. The amounts encumbered will not be expended immediately. The encumbrances for the larger projects take years to fully expend, but with the encumbrances in place, the financial management of the capital program accounts intensifies. The timing of the anticipated expenditures has a significant effect on the financing options and costs.

The point at which the cumulative project expenditures exceed the cumulative project revenues represents the need for some type of debt financing in order for the Alameda CTC to continue providing the Measure B funding at the time it is needed for project expenditures. The need for financing is expected to arise by the end of FY 13/14.

The most likely types of debt financing will involve the issuance of bonds and/or commercial paper. The process for issuing bonds secured by the sales tax, referred to as "limited tax bonds," is prescribed by the California Public Utilities Commission (PUC) Code and expanded upon in guidelines prepared by the California Debt and Investment Advisory Commission (CDIAC). The required process includes the Alameda CTC adopting a resolution authorizing the issuance of bonds. The resolution authorizing the issuance of bonds must address the following (from the PUC):

- The purposes for which the proposed debt is to be incurred, which may include all costs and estimated costs incidental to, or connected with, the accomplishment of those purposes, including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant and other fees, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period and for a period not to exceed three years thereafter, and expenses of all proceedings for the authorization, issuance, and sale of the bonds.
- The estimated cost of accomplishing those purposes.
- The amount of the principal of the indebtedness.
- The maximum term the bonds proposed to be issued shall run before maturity, which shall not be beyond the date of termination of the imposition of the retail transactions and use tax.
- The maximum rate of interest to be paid, which shall not exceed the maximum allowable by law.
- The denomination or denominations of the bonds, which shall not be less than five thousand dollars (\$5,000).
- The form of the bonds, including, without limitation, registered bonds and coupon bonds, to the extent permitted by federal law, and the form of any coupons to be attached thereto, the registration, conversion, and exchange privileges, if any, pertaining thereto, and the time when all of, or any part of, the principal becomes due and payable.

The resolution may also contain other matters authorized by the applicable PUC Code chapter or any other law. The repayment of the debt financing shall be made a priority in the annual Strategic Plan.

The process for issuing bonds involves identifying a Financing Team which includes a Financial Advisor, an Underwriter (one or more), and Bond Counsel, to determine the specifics related to the bond issuance required to develop the bond package, market the bonds, sell the bonds and secure the proceeds. Once the bonds are issued, the Alameda CTC will be responsible for monitoring and tracking the activities related to the expenditure, investment and accounting of the bond proceeds, including the final accounting. Staff has initiated the process to select consultants to participate on the Financing Team. The Financial Advisor for the Financing Team has been selected.

Project expenditure information will serve as the basis for the financial analysis and cash management efforts related to determining the method, or methods of debt financing best suited to allow the Alameda CTC to fulfill the commitments of 2000 Measure B funding. The focus of the financial analysis and management is to provide the 2000 Measure B commitments to the capital projects at the time they are needed to reimburse eligible project expenditures incurred by the implementing agencies. Once debt financing is initiated, fluctuations to the timing of the need for Measure B funds will have to be considered in the detailed context of cash management in order to maintain minimum balances required to prioritize obligations stemming from the debt financing.

Appendices

Appendix A: Capital Project Fact Sheets

Appendix B: Policies and Procedures

Appendix C: Glossary