



Meeting Notice

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

Commission Chair

Supervisor Scott Haggerty, District 1

Commission Vice Chair

Councilmember Rebecca Kaplan,
City of Oakland

AC Transit

Director Elsa Ortiz

Alameda County

Supervisor Richard Valle, District 2
Supervisor Wilma Chan, District 3
Supervisor Nate Miley, District 4
Supervisor Keith Carson, District 5

BART

Director Thomas Blalock

City of Alameda

Mayor Marie Gilmore

City of Albany

Mayor Peggy Thomsen

City of Berkeley

Councilmember Laurie Capitelli

City of Dublin

Mayor Tim Sbranti

City of Emeryville

Vice Mayor Ruth Atkin

City of Fremont

Mayor Bill Harrison

City of Hayward

Councilmember Marvin Peixoto

City of Livermore

Mayor John Marchand

City of Newark

Councilmember Luis Freitas

City of Oakland

Vice Mayor Larry Reid

City of Piedmont

Mayor John Chiang

City of Pleasanton

Mayor Jerry Thorne

City of San Leandro

Councilmember Michael Gregory

City of Union City

Mayor Carol Dutra-Vernaci

Executive Director

Arthur L. Dao

Citizens Watchdog Committee

Monday, March 10, 2014, 6:30 p.m.

1111 Broadway, Suite 800

Oakland, CA 94607

Mission Statement

The mission of the Alameda County Transportation Commission (Alameda CTC) is to plan, fund, and deliver transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County.

Public Comments

Public comments are limited to 3 minutes. Items not on the agenda are covered during the Public Comment section of the meeting, and items specific to an agenda item are covered during that agenda item discussion. If you wish to make a comment, fill out a speaker card, hand it to the clerk of the Commission, and wait until the chair calls your name. When you are summoned, come to the microphone and give your name and comment.

Recording of Public Meetings

The executive director or designee may designate one or more locations from which members of the public may broadcast, photograph, video record, or tape record open and public meetings without causing a distraction. If the Commission or any committee reasonably finds that noise, illumination, or obstruction of view related to these activities would persistently disrupt the proceedings, these activities must be discontinued or restricted as determined by the Commission or such committee (CA Government Code Sections 54953.5-54953.6).

Reminder

Please turn off your cell phones during the meeting. Please do not wear scented products so individuals with environmental sensitivities may attend the meeting.

Glossary of Acronyms

A glossary that includes frequently used acronyms is available on the Alameda CTC website at www.AlamedaCTC.org/app_pages/view/8081.

Location Map

★ Alameda CTC
1111 Broadway, Suite 800
Oakland, CA 94607

Alameda CTC is accessible by multiple transportation modes. The office is conveniently located near the 12th Street/City Center BART station and many AC Transit bus lines. Bicycle parking is available on the street and in the BART station as well as in electronic lockers at 14th Street and Broadway near Frank Ogawa Plaza (requires purchase of key card from bikelink.org).



Garage parking is located beneath City Center, accessible via entrances on 14th Street between 1300 Clay Street and 505 14th Street buildings, or via 11th Street just past Clay Street. To plan your trip to Alameda CTC visit www.511.org.

Accessibility

Public meetings at Alameda CTC are wheelchair accessible under the Americans with Disabilities Act. Guide and assistance dogs are welcome. Call 510-893-3347 (Voice) or 510-834-6754 (TTD) five days in advance to request a sign-language interpreter.



Meeting Schedule

The Alameda CTC meeting calendar lists all public meetings and is available at www.AlamedaCTC.org/events/upcoming/now.

Paperless Policy

On March 28, 2013, the Alameda CTC Commission approved the implementation of paperless meeting packet distribution. Hard copies are available by request only. Agendas and all accompanying staff reports are available electronically on the Alameda CTC website at www.AlamedaCTC.org/events/month/now.

Connect with Alameda CTC

www.AlamedaCTC.org



facebook.com/AlamedaCTC

[@AlamedaCTC](https://twitter.com/AlamedaCTC)

youtube.com/user/AlamedaCTC



Citizens Watchdog Committee Meeting Agenda Monday, March 10, 2014, 6:30 p.m.

1111 Broadway, Suite 800, Oakland, CA 94607 • PH: (510) 208-7400 • www.AlamedaCTC.org

***NOTE: EARLIER TIME FOR THE ANNUAL REPORT OUTREACH OBJECTIVES SUBCOMMITTEE**

Subcommittee Members: Mike Dubinsky, James Haussener, James Paxson, Harriette Saunders

Chair: James Paxson
Vice Chair: Harriette Saunders
Executive Director: Arthur L. Dao
Staff Liaisons: Tess Lengyel,
Patricia Reavey
Public Meeting Coordinator: Angie Ayers

		Page	A/I
5:30 – 6:30 p.m. James Paxson	1. CWC Annual Report Outreach Objectives	1	I
6:30 – 6:35 p.m. James Paxson	2. Welcome and Call to Order		
6:35 – 6:40 p.m. Public	3. Public Comment		
6:40 – 6:45 p.m. James Paxson	4. CWC Meeting Minutes		
	4.1. Approval of January 13, 2014 Meeting Minutes	3	A
6:45 – 7:20 p.m. Matt Todd	5. Program Compliance Summary Report to CWC Handout at meeting		A
7:20 – 7:25 p.m. James Paxson	6. Establishment of CWC Annual Report Subcommittee		A
7:25 – 7:45 p.m. Tess Lengyel	7. Responses to CWC Requests for Information		
	7.1. CWC Annual Report E-blast Outreach Data and Cost Estimates for Ad Placements on AC Transit and BART	9	I
	7.2. Projects and Programs Watch List Update	17	I
7:45 – 7:50 p.m. CWC Members	8. CWC Member Reports/Issues Identification (Verbal)		
	8.1. CWC Issues Identification Process and Form	23	I

7:50 – 8:30 p.m.
Staff

9. Staff Reports/Board Actions (Verbal)

9.1.	FY13-14 ACTIA Mid-Year Budget Update	27	I
9.2.	Alameda CTC FY2013-14 Second Quarter Investment Report	37	I
9.3.	Debt Issuance for the 2000 Measure B Capital Program	49	I
9.4.	Results of Solicitation of Ratings for Debt Issuance	55	I
9.5.	CWC Calendar FY13-14	61	I
9.6.	CWC Roster	63	I
9.7.	Alameda CTC Commission Action Items	65	I

8:30 p.m.
James Paxson

10. Adjournment

Next Meeting: June 9, 2014

All items on the agenda are subject to action and/or change by the Committee.

Proposed Outreach Objectives from CWC Chair and Member (Submitted by Mike Dubininsky)

Organization: The Alameda County Transportation Commission (Alameda CTC) Citizen's Watchdog Committee is responsible for oversight of expenditures specified in the Alameda County 20-year Transportation Expenditure Plan.

Background: The Alameda County Transportation Expenditure Plan for the transportation sales tax measure passed in 2000, Measure B, called for the creation of a Citizen's Watchdog Committee that would "... report directly to the public ... publish an annual report ... in local newspapers." The plan also specifies "copies of these documents must be made available to the public." The original legislation and the plan did not provide any additional details as to the nature and scope of the public reporting.

Reason/Purpose for Proposal: Since 2000 the viability of the printed news media (newspapers) has significantly declined with the advancements of the Internet and social media capabilities. While the Citizen's Watchdog Committee, in conjunction with Alameda CTC staff, has made extra efforts to ensure that the public is aware of and receives annual reports, there remains no clear and defined blueprint for the level and scope of public outreach expected for the CWC to pursue.

Outreach Objectives: The following proposed distribution channels and outreach techniques are designed to establish the minimum floor of public outreach which the CWC should pursue to meet the legislative expectations and to meet its objectives of educating the public about Measure B transportation projects and programs and CWC activities. The public is not limited to the residents of Alameda County, but these residents represent the first priority for outreach.

- **Printed media:** Place print versions of the report in newspapers that focus on the news and activities occurring in Alameda County, CA.
- **Direct mailing/distribution:** Send mail or email to county libraries, Commissioners, community advisory committees, and other Alameda CTC mailing list recipients, and distribute the report or materials about the report at outreach events sponsored by or attended by Alameda CTC staff and at organizations that appoint representatives to the CWC.
- **Online (Internet) resources:** Place advertisements in online publications that focus on the news and activities occurring in Alameda County, CA.
- **Social media:** Utilize social media sites established by Alameda CTC and all county jurisdictions (cities) and transportation agencies that benefit from the transportation sales tax.
- **Personal outreach:** Provide direct reports to CWC members' appointing organization and/or jurisdictions that fall within their appointed reporting area, for example, a supervisory district.

- **Audience:** Target the general public, all residents of Alameda County. For those residents who do not use English as a first language, pursue accommodation as appropriate.
- **Costs for outreach:** Ensure the cost of public outreach is reasonable and does not exceed a total of \$.05 per person based on the 2010 U.S. Census count of 1,510,271. The cost includes printing, legal notice fees, publication fees, reimbursement for local travel, advertisements, translations, etc.

CWC Roles and Responsibilities from Expenditure Plan: As defined by the 2000 Measure B Expenditure Plan, the roles and responsibilities of the committee are to:

- Hold public hearings and issue reports, on at least an annual basis, to inform Alameda County residents how the funds are being spent.
- Have full access to the Commission's independent auditor and have authority to request and review specific information and to comment on the auditor's reports.
- Publish an annual report and any comments concerning the Commission's audit in local newspapers. In addition, copies of these documents must be made available to the public at large.

Outreach Subcommittee Considerations: The Outreach Subcommittee should ask and get answers to the following questions in terms of establishing the operating practices of the CWC for public outreach:

- a) Does the CWC need a public outreach "mission" type statement? Or in the view of the subcommittee, is the role of the CWC clearly stated in Measure B?
- b) Notwithstanding the Measure B public outreach expectation, what do the subcommittee members see as the public outreach responsibility?
- c) Does there need to be some form of measurement applied to the public outreach?
- d) If the CWC agrees to need a measurement, what should be the CWC's responsibility in terms of conducting the measurement and interpreting the outcome(s) of the measurement?
- e) Who or what represents the "public at large" to the CWC? For example, is it the citizens of Alameda County? Citizens of the Bay Area Region? Or something different?
- f) In terms of outreach, is it the CWC's task to ensure the public knows about the presence of the report? The presence of Alameda CTC? The presence of the Measure B-funded programs and projects? Or something else?



Citizens Watchdog Committee Meeting Minutes Monday, January 13, 2014, 5:30 p.m.

4.1

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

Audit and Compliance Review

1. Measure B Audit Report and Program Compliance Report Review Orientation

The CWC members received an orientation on the compliance report review process from staff. Members agreed to review the audits and reports in further detail on their own and submit comments to Alameda CTC via email.

2. Measure B Audit Report and Program Compliance Review

Staff reviewed a sample audit and compliance report with the CWC. This review served as a training tool for new members and was a refresher for existing members. Staff indicated that the compliance review tracking and comment forms will be emailed to the CWC to allow members to record their comments. Staff requested comments from CWC members by February 3, 2014.

Questions/feedback from members:

- Did any jurisdictions not get their complete streets adopted? No.
- Members requested further clarification regarding the relation of the 50 percent of new revenues that agencies can place in an operating fund reserve versus the 70 percent expenditure threshold in the Compliance Report Reserve Policies. Staff explained how the two measures are met and evaluated.
- How will the CWC look for consistency for fiscal year 2011-2012 (FY11-12) commitments versus FY13-14 projects? Staff explained the different sections of the compliance report and the section that detailed the planned versus actual information for the FY11-12 projects.

Meeting Minutes

3. Welcome and Introductions

James Paxson, CWC Chair, called the meeting to order at 6:30 p.m. The meeting began with introductions and the chair confirmed a quorum. All CWC members were present, except the following: Art Geen, Bill Klinke, Brian Lester, and Hale Zukas.

4. Public Comment

There were no public comments.

5. Approval of November 4, 2013 Minutes

Mike Dubinsky moved to approve the minutes as written. Steve Jones seconded the motion. The motion passed unanimously (8-0).

6. CWC Annual Report Outreach Summary and Cost Benefit

6.1. CWC Annual Report Cost Benefit Analysis

Tess Lengyel reviewed and discussed the memo and cost benefit analysis in the agenda packet. She informed the committee that the budget for the Annual

Report was \$50,000, and the actual cost was \$31,830, which was \$9,831 less than the prior year and \$18,170 under budget. The costs included the design and placement of the online and print advertisements and printing and mailing of the hard copy report, and performing live and social media outreach about the report.

The outreach efforts included the following:

- CWC members performed outreach and distributed the report and flyers broadly.
- Alameda CTC did the following outreach:
 - Converted the advertisement to Chinese and Spanish and emailed the condensed versions to the contacts in Alameda CTC's Constant Contact database.
 - Emailed a press release with a link to the full report to all media in Alameda County.
 - Placed an update in the Alameda CTC e-newsletter with a link back to the full report and to the additional language versions (this effort is on-going).
 - Placed information on the Alameda CTC website that links directly to the full report.
 - Handed out the print version of the report to the Alameda CTC Commission and the community advisory committees.
 - Brought the print version of the report to numerous outreach events and activities (this effort is on-going).
 - Mailed the report and the three versions of the flyer to the Alameda County chambers of commerce, libraries, and the CWC member organizations.

Questions/feedback from members:

- The committee was impressed with the number of organizations that received the report.
- Should the CWC continue to print in the newspapers going forward? How can the committee reach certain populations and the disenfranchised? James Paxson said that according to the 2000 Transportation Expenditure Plan, the annual report must be published in local newspapers. He stated that it's important for the CWC members to reach out to other organizations that assist sharing the information with people who are beneficiaries of the investments and may not have easy access to the information.
- CWC members suggested adding housing corporations, such as the East Bay Asian Youth Center, Bridge Housing Corporation, and Housing and Urban Development to the Constant Contact database. James Paxson said that CWC members should be responsible for performing outreach to these organizations.
- CWC members suggested considering placing flyers on BART trains and on AC Transit buses. The committee also suggested framing the message around what services Measure B provides and graphically demonstrating the message on materials for BART and AC Transit.
- Is Alameda CTC receiving feedback or emails on the annual report? A member asked why anyone would want to read the report, because the report and the contents do not spark interest.

- A suggestion was made to use the remainder of the CWC annual report budget to educate the public on Measure B and the role of the CWC. James stated that the language in the Expenditure Plan is fairly narrow. It says to share the annual report with the public. Tess noted that Alameda CTC has woven the report into social media and current outreach efforts.

Staff suggested that the CWC Annual Report Subcommittee review the above ideas and determine the cost and make a decision on whether or not to pursue the ideas.

6.2. Proposed CWC Annual Report Outreach Objectives and Alameda CTC Summary

Mike Dubinsky and James Paxson submitted proposed outreach objectives for the CWC Annual Report. During the discussion process, James Paxson asked the members if they would prefer to establish a subcommittee to review the submitted document to further address the objectives and discuss outreach opportunities for the CWC annual report.

Harriette Saunders made a motion to establish a subcommittee to discuss the objectives proposed by Mike Dubinsky. Deborah Taylor seconded the motion. The motion passed 7-0, with one abstention by Jo Ann Lew.

The following members volunteered for the subcommittee:

- Mike Dubinsky
- James Haussener
- James Paxson
- Harriette Saunders

Staff suggested the subcommittee meet an hour before the March 10, 2014 meeting.

7. Update on Delivery and Implementation of Measure B Projects and Programs

7.1. Measure B Projects Update

Raj Murthy gave an overview on the status of the capital projects. The presentation covered the 27 Alameda CTC active capital projects, with an emphasis on the Dumbarton Rail Corridor Improvements project. He stated that 94 percent of the program has been delivered in 11 years. Raj said that \$435 million has been spent to date on 2000 Measure B completed projects.

Raj mentioned that the Dumbarton Rail project environmental document was prepared by the San Mateo County Transportation Authority (SMCTA). He noted that a funding shortfall was identified, and the Federal Transit Administration will not approve the Environmental Impact Report without viable funding. As a result, SMCTA and the project team decided to put the project on hold to allow time to bridge the funding shortfall gap.

He stated that the only funding available for the Dumbarton Rail Corridor project is Metropolitan Transportation Commission (MTC) Regional Measure 2 (RM2) funding and Measure B funding, which is \$19.4 million. MTC is planning to reallocate the remaining \$34.6 million RM2 funding. Alameda CTC worked with SMCTA and Alameda County jurisdictions to recommend a list of projects to receive the

\$34.6 million in lieu of the Dumbarton Rail Corridor project. Raj noted that \$3.3 million of Measure B funding was allocated to the Dumbarton Rail project environmental studies.

Staff noted that due to the actions that will be taken by MTC and the Commission, the Dumbarton Rail Corridor project is no longer viable due to the funding shortfall. Approximately \$13 million remains in the Dumbarton Corridor Project that can be programmed to an eligible project in the Dumbarton Corridor. In October, the Commission approved to program the remaining Measure B funding to the Newark Central Avenue Overpass project, which is still in the Dumbarton Corridor. Programming the remaining funds to this project is consistent with the language in the 2000 Transportation Expenditure Plan.

In October 2013, the Commission acted to modify the language in the 2014 Transportation Expenditure Plan to refocus the Dumbarton project as Dumbarton Corridor Area Transportation Improvements.

Raj also provided a summary of the Alameda CTC capital project program for 1986 Measure B remaining projects, 2000 Measure B projects, and Proposition 1B bond and other projects.

Questions/feedback from members:

- Why did it take \$3.3 million to find out that the project is not viable? Staff stated that the Dumbarton Rail Corridor was started about 10 years ago, and the cost was a great deal lower than \$806 million. SMCTA and the Santa Clara Valley Transportation Authority had originally allocated sales tax funding to this project. At that time, the project was believed to be feasible and pursued the studies required to move the project forward.
- Which agency is sponsoring the Dumbarton Rail Corridor project? Staff stated that it's SMCTA.
- A member stated that it's great that the Commission made a decision about the Dumbarton Rail and to keep the funding in the City of Newark.
- Why is Alameda CTC doing debt financing if 94 percent of the money has been spent? Staff stated that 94 percent of the funds are allocated to projects. Alameda CTC is doing a debt financing to deliver the allocated funds earlier than on a pay-go basis. Staff explained that Alameda CTC or other project sponsors cannot award a contract until the funds are allocated, and project delivery means completing construction.
- The Transportation Expenditure Plan (TEP) states an expectation for project costs. How many projects in the TEP have gone over budget? Staff stated that the TEP does allow for some escalation; however, if a project has a cost overrun, it's up to the project sponsor to find additional funding to complete the project.

7.2. Measure B Programs Update

John Hemiup reviewed the presentation on the Measure B pass-through fund program and grant program. The presentation included the breakdown of the 60 percent of Measure B funds allocated to programs and background information on each funding source. John highlighted certain grant-funded projects to demonstrate the array of services, projects, programs, and plans implemented throughout the county.

Questions/feedback from members:

- How much was awarded to the Transit Center Development Grant Program in FY12-13? Staff stated that roughly \$100,000 was awarded. Over the next two fiscal years, \$400,000 will go toward the Sustainable Communities Program.
- Are allocations based on road miles served? Every year, Alameda CTC updates the road miles and population of jurisdictions, which are factors in the distribution of the funds distributed to local agencies for local transportation purposes, including local streets and roads.

8. Responses to CWC Requests for Information

8.1. Review of Sample Project Master Funding Agreement and Project-specific Funding Agreement and Associated Invoice Review and Reimbursement Process

At the June 2013 CWC Pre-Audit Subcommittee meeting, the subcommittee requested Alameda CTC review a project agreement (contract) between Alameda CTC and an agency with the full CWC at a future meeting.

Trinity Nguyen reviewed with the CWC the process Alameda CTC follows for a Project Master Funding Agreement and a Project Specific Funding Agreement (PSFA), the invoice review process, and the payment process. She used the BART Warm Springs Extension as an example for all parts of the process. Trinity reviewed the Accounts Payable Invoice Process Flow Chart for the invoice process. It was noted that the process review is strictly for capital projects. Trinity ensured the committee that the process followed is very thorough.

The invoice review process has the following controls:

- Administrative/documentation review process: Confirm all information is present and it matches Alameda CTC's records and contract compliance.
- Project controls review: Ensure project funding is properly coded; provide quality control for administrative review.
- Project manager review: Ensure the work being paid for has been provided; perform oversight control.
- Financial controls: Look at costs, such as travel and insurance; confirm all receipts.

Questions/feedback from the members:

- Jim Haussener requested staff email a sample PSFA and a Project Controls Review checklist for a project.
- Are project managers Alameda CTC staff or consultants? Currently, project managers are consultants; however, Alameda CTC uses both staff and consultants to oversee projects.
- If project managers are outsourced, what authority do they have? Trinity stated that consultants who are project managers have the same authority as staff to oversee and manage the project.
- Who has authority to negotiate change orders? That's under the purview of the Deputy Director of Programming and Projects for projects that are implemented by Alameda CTC.
- During the review process, does Alameda CTC coordinate with other funding sources? Yes.

8.2. Debt Finance Process

Patricia Reavey stated that the document on page 81 is in response to Jo Ann Lew's questions regarding the debt financing process.

Questions/feedback from members:

- Did the public have an opportunity to sufficiently comment on the FY13-14 debt issuance? Jim Haussener said Alameda CTC did not meet the intent of Measure B with an openness that the measure requires.

Patricia stated that the public had the opportunity to comment on the debt issuance on several occasions including the July Commission meeting when the Commission approved the request for staff to initiate the process of issuing debt.

During the discussion about this comment, some committee members expressed that they had expected a public announcement of the debt issuance to be published in the newspaper or sent to the League of Women Voters. Staff noted that there had been many public meetings at which the debt financing information was presented. In Addition, Alameda CTC published information on the website and via a press release regarding bond issuance.

Patricia stated that it has been published in Bloomberg, and Tess stated that it has also been published in the Alameda CTC newsletters.

Jim Haussener made a motion to request James Paxson emphasize to the Commission chair that the CWC believes that suitable public notice was not performed to receive sufficient public comments on the debt issuance. Jo Ann Lew seconded the motion. The motion passed 4-2 as follows:

- *James Paxson and Sandra Hamlat abstained.*
- *Mike Dubinsky and Steve Jones voted no.*
- *Harriette Saunders, Jim Haussener, Jo Ann Lew, and Deborah Taylor voted yes.*

9. CWC Member Reports/Issues Identification (Verbal)

9.1. CWC Issues Identification Process and Form

None

10. Staff Reports/Board Actions

Arthur L. Dao reviewed the Contract Equity Annual Utilization Report for FY12-13 with the committee.

Patricia Reavey mentioned that the Finance and Administration Committee adopted a general fund balance reserve policy that will go forward to the full Commission for approval at the January 23, 2014 meeting.

11. Adjournment

The meeting adjourned at 8:45 p.m. The next meeting is scheduled for March 10, 2014 at Alameda CTC offices.



Memorandum

7.1

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: March 3, 2014

SUBJECT: CWC Annual Report E-blast Outreach Data and Cost Estimates for Ad Placements on AC Transit and BART

RECOMMENDATION: Review email marketing benchmarks for the CWC Annual Report in comparison to other agency information, as well as review and discuss the costs and benefits of advertising onboard AC Transit and BART.

Summary

Citizens Watchdog Committee (CWC) members asked staff to compare the outreach effectiveness of e-blasts about the CWC Annual Report to e-blasts on other agency topics, as well as to obtain cost estimates from AC Transit and BART for on-board ad placements, as options for the CWC to consider for future outreach.

In response to the CWC's request, Alameda CTC staff gathered email marketing data to compare the open and click-through rates of e-mail blasts sent via Constant Contact that distribute information about the CWC Annual Report to e-mail blasts that distribute other agency information. Additionally, staff contacted AC Transit and BART staff and the advertising agencies that handle their on-board advertising to obtain cost information.

Background on E-Blast Outreach

Alameda CTC uses e-blasts via Constant Contact for outreach and education about the CWC Annual Report. From 2010 to 2013, these e-blasts had an average open rate of 27 percent (meaning 27 percent of addressees received and viewed the transmission), see Attachment A. As a benchmark for comparison, Alameda CTC's average over the same time period for all transmissions via Constant Contact, including e-blasts for e-newsletters and press releases, is 29 percent. Both averages are higher than industry averages for government agencies, transportation, and travel/tourism (see Attachment B). Over the last three years, CWC Annual Report-focused transmissions have seen a slight decrease in open rates but a significant increase in total distribution, as Alameda CTC's e-newsletter list has grown from 983 in September 2010 to 3,993 in August 2013.

Advertising Opportunities on AC Transit and BART

TITAN360 manages both in-station and on-vehicle advertisements for AC Transit and BART. Alameda CTC requested quotes from TITAN360 for advertising with both transit agencies. Attachment C includes standard unit pricing, recommended quantities, four-week rate pricing, and circulation information. Alameda CTC and TITAN360 have been in discussion about a discounted rate for public agency educational advertising.

Alameda CTC also contacted AC transit regarding the opportunity to place educational information within buses, called “ad cards.” These oblong cards (usually 28-inch-by-11-inch cards) fit above the windows along the length of the bus. This opportunity could be provided by AC transit at no cost, as AC Transit agrees to provide partners with a limited number of ad cards to benefit the community.

Recommendations

Alameda CTC recommends that staff continue to send CWC-specific transmissions to the entire e-newsletter distribution list and that the CWC consider placing ads onboard BART and AC Transit. However, rather than advertising the CWC Annual Report itself, staff recommends using this key advertising space to communicate the results of the report, i.e., “Citizen Watchdog Committee Report Confirms Measure B Transportation Sales Tax Dollars Spent As Promised 12 Years in a Row” or “Measure B Sales Tax Dollars Receive 12th Clean Audit findings from Independent Auditors and the Citizens Watchdog Committee” or “Citizens Watchdog Committee Confirms Strict Accountability of Measure B Transportation Sales Tax and 100 Percent Clean Audits.”

Fiscal Impact: There is no fiscal impact for this analysis.

Attachments:

- A. Sample Open and Click Rates: Alameda CTC E-Newsletters, Press Releases, and CWC Annual Reports
- B. E-Mail Open and Click Rates: Industry Averages
- C. AC Transit and BART On-board and In-station Advertising Costs

Staff Contacts

[Tess Lengyel](#), Deputy Director of Planning and Policy

[Angie Ayers](#), Public Meeting Coordinator

**Open and Click Rates of Alameda CTC E-Newsletters,
Press Releases, and CWC Annual Report
A Sample - 2010-2013**

DATE	CONTENT	DISTRIBUTION (total e-mails sent)	OPEN RATE (e-mail was received and viewed)	CLICKS (one or more links within the e-mail was clicked)
9/10/2010	CWC 8 th Annual Report to the Public	983	29%	19%
9/30/2010	E-Newsletter	985	33%	27%
8/25/2011	Press Release: Watchdog Committee Report	55	31%	12%
9/31/2011	E-Newsletter	2473	34%	20%
8/30/2012	Press Release: CWC Annual Report	135	30%	8%
9/4/2012	Press Release: Safe Routes to Schools	174	17%	11%
8/22/2013	Press Release: 11 th Annual CWC Report	192	22%	14%
8/23/2013	CWC Annual Report to the Public (sent to e-news list)	3799	24%	1%
9/16/2013	E-Newsletter	3993	31%	15%
11/22/2013	E-Newsletter	4352	24%	11%
1/7/2014	Press Release: AAA Bond Ratings (sent to e-news list)	4362	25%	1%
Alameda CTC Average	All Constant Contact E-mails		29%	17%
Alameda CTC Average	All E-mail Sent last 3 months (11/13-1/14)		28%	24%
Industry Average	Government Agency		24%	13%
Industry Average	Transportation		20%	13%
Industry Average	Travel/Tourism		18%	11%

This page intentionally left blank

Industry Averages: How do you Compare?

Here's a list of what current Constant Contact business owners are seeing for open, bounce, click-through and unsubscribe rate averages. Think you could be doing better? Here are a few ways to [improve your rates](#).

Business Type	Avg. Open Rate	Avg. Bounce Rate	Avg. Click-Through Rate	Unsubscribe Rate
Accountant/ Financial Advisor	15.50%	10.13%	12.26%	0.19%
Art Galleries/Museums	24.66%	10.47%	10.39%	0.24%
Business products & services	15.11%	9.85%	11.93%	0.21%
Communications	17.29%	8.56%	16.78%	0.13%
Consultant	15.27%	11.21%	10.86%	0.21%
Crafts	24.60%	6.22%	20.98%	0.16%
Education & Services	20.53%	8.98%	12.59%	0.18%
Entertainment	16.14%	8.42%	10.40%	0.18%
Event Planner	17.19%	10.41%	11.34%	0.26%
Franchise	15.05%	10.10%	7.52%	0.34%
Government agency	23.58%	9.32%	13.23%	0.17%
Hotel, Inn, B&B	20.59%	9.35%	10.69%	0.47%
Legal services	20.29%	12.21%	11.31%	0.25%
Manufacturing & Distribution	19.35%	11.47%	12.31%	0.28%
Marketing/PR	13.25%	10.29%	11.31%	0.16%
Medical Services	18.29%	10.06%	11.19%	0.32%
Non Profit - Arts	23.44%	12.14%	9.22%	0.27%
Non Profit - Education	20.38%	9.08%	12.85%	0.19%
Non Profit - Health	18.27%	9.89%	11.56%	0.32%
Non Profit - Other	22.54%	10.12%	11.52%	0.19%
Non Profit - Religious Org	24.84%	7.67%	9.33%	0.12%
Office Supplies	15.38%	6.10%	10.23%	0.21%
Other	18.45%	9.27%	14.96%	0.20%
Personal Services	19.82%	10.14%	12.11%	0.34%
Professional Services	16.49%	10.56%	11.42%	0.27%
Publishing	18.49%	9.64%	21.55	0.12%
Real Estate	17.50%	12.86%	9.83%	0.22%
Restaurant, Bar, Caterer	18.97%	10.0%	6.01%	0.31%
Retail	18.13%	7.01%	14.42%	0.22%
Salon & Spa	17.69%	12.44%	6.47%	0.38%
Sports & Recreation	19.35%	9.24%	12.15%	0.25%
Technology	16.10%	12.33%	10.70%	0.25%
Transportation	19.50%	9.36%	12.51%	0.34%
Travel and tourism	18.29%	10.30%	10.79%	0.22%
Unknown	17.49%	10.45%	12.42%	0.22%
Web Developer	16.84%	8.44%	15.56%	0.16%

Open Rate: The percentage of recipients who opened an email.

Bounce Rate: The percentage of contacts that did not receive an email.

Click-through rate: The percentage of recipients who clicked at least one link within an email.



This page intentionally left blank



media format	size	recommended quantity	4 week rate card	4 week net investment	Per Unit Rate	4 week impressions/ circulation
AC Transit						
Bus King	30"H x 144"W	90	\$86,400	\$54,000	\$600	10,094,000
Bus Queen	30"H x 88"W	90	\$45,900	\$36,000	\$400	10,094,000
Bus Tail	21"H x 70"W	90	\$35,100	\$27,000	\$300	8,660,000
Bus Interior Card	11"H x 28"W	225	\$9,000	\$4,500	\$20	1,197,000
BART (targeted station)						
Interior Cards	21"H x 21"W	165	\$29,700	\$20,625	\$125	4,586,806
2-Sheet Poster	46"H x 60"W	1	\$1,200	\$700	\$700	n/a
Station King	30"H x 144"W	1	\$2,400	\$1,200	\$1,200	n/a
Backlit Diorama	varies	1	\$2,400	\$1,200	\$1,200	n/a

This page intentionally left blank



Citizens Watchdog Committee Process for Oversight of Measure B Projects and Programs

Oversight of Measure B projects and programs is one of the responsibilities of the Citizens Watchdog Committee (CWC). Project and program sponsors notify CWC members of all public meetings for Measure B-funded projects and programs the cities and agencies sponsor, and members "watch" or monitor these projects and programs using the following process.

CWC Responsibilities

The Citizen Watchdog Committee is charged with reviewing all expenditures on Measure B funds as required by the voter-approved 2000 Measure B Expenditure Plan. Annually, the CWC scrutinizes all Measure B expenditures and reports directly to the public on its findings.

"This committee will report directly to the public and will be charged with reviewing all expenditures of the Agency [Alameda County Transportation Commission (Alameda CTC)]." The responsibilities of the committee are to:

- Hold public hearings and issue reports, on at least an annual basis, to inform Alameda County residents how the funds are being spent. The hearings are open to the public and must be held in compliance with the Brown Act, California's open meeting law, with well-publicized information announcing the hearings posted in advance.
- Have full access to the Commission's independent auditor and authority to request and review specific information and to comment on the auditor's reports.
- Publish an annual report and any comments concerning the Commission's audit in the local newspapers. In addition, copies of these documents must be made available to the public at large.

Notification and Oversight Process

The goal of any notification is for CWC members to hear project discussions, whether at a public works session, a regular city council meeting, or at any other forum where the project is presented to the community. To facilitate CWC members' oversight of Measure B projects and programs, Alameda CTC, CWC members, and project sponsors perform the following process:

1. Annually, staff updates and provides the Projects and Programs Watch List to the CWC, so members will have an opportunity to watch projects and programs of interest to them. CWC members select the projects and programs to monitor, and staff updates the list.

CWC Process for Oversight of Measure B Projects and Programs continued

2. Alameda CTC prepares and sends a letter signed by the CWC chair to each city/agency sponsor, to request notification of all public meetings for Measure B-funded projects and programs, and requests the sponsor contact Alameda CTC staff and CWC members about these meetings. As attachments to this letter, project sponsors receive the CWC Projects and Programs Watch List and the latest CWC roster that contains contact information for each member.
3. Project sponsors notify the CWC members who watch their project(s) and program(s) at least 72 hours in advance of public meetings. Refer to Attachment A for a sample notification.
4. CWC members attend the public meetings for the projects and programs they monitor.
5. If the project sponsors do not notify CWC members of public meetings for Measure B-funded projects and programs, either CWC members or staff will notify Alameda CTC, and the Alameda CTC program manager will contact the project sponsor to request a notification of the next meeting.

Since CWC members are required to watch Measure B expenditures, it is critical that they receive timely notification of public meetings and make a good effort to stay informed about the projects and programs they have agreed to watch.

Notification Regarding Upcoming Meeting for BART Warm Springs Extension Project

From: Angela Charles <ACharle@bart.gov>

Date: February 20, 2014 at 4:17:53 PM PST

To: "james@hacienda.org" <james@hacienda.org>, "harriettewsaunders@gmail.com" <harriettewsaunders@gmail.com>, "sandra.hamlat@gmail.com" <sandra.hamlat@gmail.com>, "dtdmg@yahoo.com" <dtdmg@yahoo.com>, "hale@wid.org" <hale@wid.org>

Cc: Tess Lengyel <tlengyel@alamedactc.org>, Paul Medved <pmedved@bart.gov>

Subject: Notification Regarding Upcoming Meeting for BART Warm Springs Extension Project

Citizens Watchdog Committee Members:

Per your request, the Warm Springs Extension Project Team is providing information to the ACTC Citizens Watchdog Committee regarding an upcoming meeting where the Warm Springs project will be discussed.

Date: February 27, 2014

Time: 5 p.m.

Meeting: BART Board of Directors Meeting - Warm Springs Extension Project Semi-Annual Update

Location: BART Board Room
Kaiser Center 20th Street Mall - Third Floor
344 20th Street
Oakland, CA 94612

If you have any questions, please call Paul Medved, Warm Springs Extension Group Manager at 510.287.4750.

Regards,
Angela

Angela M. Charles
BART Warm Springs Extension Team
510.874.7304 O 510.874.7344 F

This page intentionally left blank

Alameda CTC Capital Projects
FY 2013-2014

CWC Member Capital
Projects Monitoring
Responsibilities

CWC Member Capital Projects Monitoring Responsibilities			Appointed By	ACTIA No. 1 - ACE Capital Improvements Alameda County; Construction	ACTIA No. 2 - BART Warm Springs Ext. Fremont; Construction	ACTIA No. 3 - BART Oakland Airport Conn. Oakland; Construction	ACTIA No. 4 - Downtown Streetscape Project Oakland; Construction	ACTIA No. 5 - BART Fruitvale Transit Village Complete	ACTIA No. 6 - Union City Intermodal Station Union City; Complete	ACTIA No. 7 - Bus Rapid Transit - Tel. Corridor Oakland (7A; Design); 7B & 7C Complete	ACTIA No. 8 - I-680 Express Lane (Environmental)	ACTIA No. 9 - Ironhorse Trail; Dublin Design	ACTIA No. 10 - I-880/Broadway-Jackson I/C Oakland, Alameda; Scoping	ACTIA No. 11 - I-880/Washington Avenue I/C San Leandro; Complete	ACTIA No. 12 - I-580 Castro Valley I/C Alameda County; Complete	ACTIA No. 13 - Lewelling/E. Castro Valley I/C Alameda County; Closeout	ACTIA No. 14 - I-580 Auxiliary Lanes; Dublin, Livermore; Construction	ACTIA No. 15 - Rte. 92/Clawiter Whitesell I/C Hayward; Design	ACTIA No. 16 - Oakland Local Streets Complete	ACTIA No. 17B - Hesperian/Lewelling Widening San Leandro, AC; Closeout; 17A Complete	ACTIA No. 18 - Westgate Parkway Extension Complete	ACTIA No. 19 - E 14th/Hesperian/150th San Leandro; Design	ACTIA No. 20 - Newark Local Streets Complete	ACTIA No. 21 - I-238 Widening Complete	ACTIA No. 22 - I-680/I-880 Cross Conn. Study Fremont; Hold	ACTIA No. 23 - Isabel/Route 84/I-580 I/C Livermore; Closeout	ACTIA No. 24 - Route 84 Expressway (Design/Right of Way)	ACTIA No. 25. 1 - Dumbarton Corridor (Central Avenue Overpass); PE/Env	ACTIA No. 26 - I-580/BART Dublin, Pleasanton, Livermore; ENV/ROW	ACTIA No. 27B - I-80 Integrated Corridor Mobility; Construction	ACTIA No. 27C I-880 Corridor Improvements Oakland, San Leandro; Construction	ACTIA No. 27D - TEP Development; Planning Segments and Locations on the CMP Network	ACTIA 27E - Project Studies for Congested Planning
Dorsey, Cynthia	Alameda County Mayors' Conference, D-5																																
Dubinsky, Mike	Supervisor Richard Valle, D-2	X																															
Geen, Arthur B.	Alameda County Taxpayers Association																																
Hamlat, Sandra	East Bay Bicycle Coalition		X	X	X																												
Haussemer, James	Supervisor Nate Miley, D-4																																
Jones, Steven	Alameda County Mayors' Conference, D-1																																
Klinke, William	Alameda Labor Council AFL-CIO			X																													
Lester, Brian	Supervisor Scott Haggerty, D-1																																
Lew, Jo Ann	Alameda County Mayors' Conference, D-2										X																						
Paxson, James	East Bay Economic Development Alliance	X	X	X	X	X																											
Saunders, Harriette	Paratransit Advisory and Planning Committee								X																								
Taylor, Deborah	Supervisor Wilma Chan, D-3																																
Zukas, Hale	Supervisor Keith Carson, D-5		X	X																													
Vacancy	Alameda County Mayors' Conference, D-3																																
Vacancy	Alameda County Mayors' Conference, D-4																																
Vacancy	League of Women Voters																																
Vacancy	Sierra Club																																

The projects marked with an "X" above are those I am interested in monitoring.

Signature

Alameda CTC Programs
FY 2013-2014

CWC Member Program
Monitoring Responsibilities

Member's Name	Appointed By	Alameda (BP,LSR, P)	Albany (BP, LSR, P)	Berkeley (BP, LSR, P)	Dublin (BP, LSR)	Emeryville (BP, LSR, P)	Fremont (BP, LSR, P)	Hayward (BP, LSR, P)	Livermore (BP, LSR, P)	Newark (BP, LSR, P)	Oakland (BP, LSR, P)	Piedmont (BP, LSR, P)	Pleasanton (BP, LSR, P)	San Leandro (BP, LSR, P)	Union City (BP, LSR, P)	Ala. County North (LSR)	Ala. County Central (LSR)	Ala. County East (LSR)	Ala. County Bridges (LSR)	Countywide Bike Ped Program	Paratransit - BART	Paratransit - AC Transit	AC Transit - Transit Operations	WETA (Ferry Services)	Altamont CORRIDOR Express	LAVTA Transit Operations	Countywide Express Bus	Transit-oriented Development
Dorsey, Cynthia	Alameda County Mayors' Conference, D-5																											
Dubinsky, Mike	Supervisor Richard Valle, D-2					X																		X				
Geen, Arthur B.	Alameda County Taxpayers Association								X														X					
Hamlat, Sandra	East Bay Bicycle Coalition																			X						X		X
Haussener, James	Supervisor Nate Miley, D-4							X																				
Jones, Steven	Alameda County Mayors' Conference, D-1																											
Klinke, William	Alameda Labor Council AFL-CIO	X																				X						
Lester, Brian	Supervisor Scott Haggerty, D-1																											
Lew, Jo Ann	Alameda County Mayors' Conference, D-2	X								X														X				X
Paxson, James	East Bay Economic Development Alliance																					X						
Saunders, Harriette	Paratransit Advisory and Planning Committee																											
Taylor, Deborah	Supervisor Wilma Chan, D-3									X												X						X
Zukas, Hale	Supervisor Keith Carson, D-5																											
Vacancy	Alameda County Mayors' Conference, D-3																											
Vacancy	Alameda County Mayors' Conference, D-4																											
Vacancy	League of Women Voters																											
Vacancy	Sierra Club																											

BP = Bicycle and Pedestrian
LSR = Local Streets and Roads
M = Mass Transit
P = Paratransit (special transportation for seniors and people with disabilities)

Signature



Citizens Watchdog Committee Issues Identification Process

Summary

This issues identification process outlines the responsibilities of the Citizens Watchdog Committee (CWC) and the process to bring and address issues of concern to the CWC.

CWC Responsibilities

The Citizen Watchdog Committee is charged with the following as written in the Expenditure Plan approved by voters in November 2000:

"This committee will report directly to the public and will be charged with reviewing all expenditures of the Agency [Alameda County Transportation Commission (Alameda CTC)]." The responsibilities of the committee are to:

- Hold public hearings and issue reports, on at least an annual basis, to inform Alameda County residents how the funds are being spent. The hearings are open to the public and must be held in compliance with the Brown Act, California's open meeting law, with well-publicized information announcing the hearings posted in advance.
- Have full access to the Commission's independent auditor and authority to request and review specific information and to comment on the auditor's reports.
- Publish an annual report and any comments concerning the Commission's audit in the local newspapers. In addition, copies of these documents must be made available to the public at large.

The Commission also allows the CWC to fulfill its mission by requesting information directly from Measure B fund recipients.

Review Process

The goals for any review of projects and programs by the CWC are to report to the public and make recommendations to the Alameda CTC staff and Board. To this end, the tasks for the CWC to focus on: 1) proper expenditure of Measure B funds; 2) the timely delivery of projects per contract agreements and the Expenditure Plan; and 3) adherence to the projects or programs as defined in the voter-approved Expenditure Plan.

CWC Issues Identification Process

During the review process, CWC members will use the following procedures:

1. Issues that are raised by CWC members regarding financial and contract compliance issues may be legitimate topics to pursue through the request of a project or program sponsor to appear before the CWC.
2. Before calling on a sponsor to appear, CWC members must submit a "CWC Issues Form" (attached) to the CWC chair or vice-chair for placement on the agenda at the next CWC meeting.
3. CWC members may also submit CWC Issues Forms during a meeting, which the chair will take into consideration, and at his or her discretion, address at that particular meeting.
4. The full CWC must approve issues identified in a CWC Issues Form to address in further detail by an affirmative vote.
5. CWC members may form an ad-hoc subcommittee to draft CWC questions that need answers from the project/program sponsors and to receive a presentation from a project or program sponsor specifically addressing the issues, questions, or concerns raised by the CWC.
6. The subcommittee should consider the resources listed below, either in preparation for the review meeting, or for examination during the meeting.

The reviews are expected to be organized, thorough and efficient, and may result in a clear recommendation for further action, if needed.

Resources for CWC (not inclusive)

- Adopted Measure B Expenditure Plan (blue book)
- Up-to-date list of project/program sponsors contacts
- Alameda CTC staff responsible for oversight of the project/program
- Information about public hearings, recent discussions, or news clippings provided by Alameda CTC staff to the CWC by mail or at meetings
- Other Alameda CTC community advisory committees (for example, the Citizens Advisory Committee, Paratransit Advisory and Planning Committee, or Bicycle and Pedestrian Advisory Committee chair-persons may be called on to address an issue.)
- Alameda CTC Auditor (for example, to request, "Are these figures reasonable/reliable?")
- Alameda CTC Executive Director (for example, to request "Is this the intention of the Expenditure Plan?")
- Alameda CTC Attorney (for example, to determine, "Is this a legal issue?")

CITIZENS WATCHDOG COMMITTEE ISSUES FORM

Alameda County Transportation Commission (Alameda CTC)
1111 Broadway, Suite 800
Oakland, California 94607
Voice: 510-208-7400 Fax: 510-893-6489

The CWC is required to review all Measure B expenditures. This form allows formal documentation of potential issues of concern regarding expenditure of Measure B funds. A concern should only be submitted to the CWC if an issue is directly related to the potential misuse of Measure B funds or non-compliance with Alameda CTC agreements or the Expenditure Plan approved by voters. This form may be used only by acting CWC members.

Date: _____

Name: _____

Email Address: _____

Governmental Agency of Concern (Include name of agency and all individuals)

Agency's Phone Number: _____

Agency's Address: _____

City _____ **Zip Code:** _____

Which one of the following Measure B expenditures is this concern related to
 (please check one):

☐ Capital Project ☐ Program ☐ Program Grant ☐ Administration

Please explain the nature of your concern and how you became aware of it
providing as much detail as you can, including the name of the project or
program, dates, times, and places where the issues you are raising took place.
 (Use additional sheets of paper if necessary)

PROCESS: _____

PROTECTION _____

Action Taken - Please list other parties or agencies you have contacted in an attempt to more fully understand this issue and any actions you yourself have taken.



Memorandum

9.1

1111 Broadway, Suite 800, Oakland, CA 94607

• PH: (510) 208-7400

• www.AlamedaCTC.org

DATE: March 3, 2014

SUBJECT: FY13-14 ACTIA Mid-Year Budget Update

RECOMMENDATION: Review the FY13-14 ACTIA Mid-Year Budget Update

Summary

This is an informational item and no action is requested from the Citizens Watchdog Committee. The Alameda County Transportation Commission (Alameda CTC) will be requested to approve the Proposed Budget Update for fiscal year 2013-14 this month, which included the Proposed Budget Update for the Alameda County Transportation Improvement Authority (ACTIA).

The proposed update to the FY2013-14 ACTIA budget was developed as a part of the overall Alameda CTC FY2013-14 proposed budget update to reflect changes in projects and programs since the original budget was developed, as well as to reflect how actual revenues and expenditures are being realized as the year progresses. Similarly to the originally adopted budget, this update has been segregated by fund type and includes an adjustment column to eliminate interagency revenues and expenditures on a consolidated basis. The fund types are comprised of General Funds, various Special Revenue Funds, the Debt Service Fund and Capital Project Funds.

The proposed budget update contains revenues totaling \$303.7 million of which sales tax revenues comprise \$120.0 million, or 40 percent, and bond proceeds of \$157.5 million, or 52 percent. The proposed budget also includes an update to actual audited FY2012-13 fund balances rolled forward by fund into FY2013-14 of \$203.7 million for total available resources of \$507.4 million. The total revenue amount proposed is an increase of \$181.6 million over the currently adopted budget. The revenues are offset in the budget update by \$247.7 million in total expenditures of which \$179.0 million, or 72 percent, are allocated for capital project expenditures. The total expenditure amount is an increase of \$121.9 million over the currently adopted budget. This significant increase is due to the correction of the capital roll forward balance from FY2012-13 which was included in the approved FY2013-14 budget on the capital spreadsheet, but could not be pulled forward to the ACTIA budget spreadsheet until the final fund balance roll forward amounts were updated based on FY12-13 audited financial statements. These revenue and expenditure totals constitute a net increase in fund balance of \$178.4 million and a projected consolidated ending fund balance of \$259.7 million. The increase in fund balance is primarily due to the inclusion of bond proceeds for bonds issued to support the capital program.

The budget update includes revenues and expenditures necessary to implement and produce the following vital programs and planning projects in Alameda County:

- Countywide Transportation Plan/Transportation Expenditure Plan
- Transportation and Land Use Program
- Countywide Bicycle and Pedestrian Plan
- Safe Routes to School Programs
- Pass-Through Funding Programs

In addition to the planning projects and programs listed above, the budget also contains revenues and expenditures necessary to fund and deliver significant capital projects intended to expand access and improve mobility in Alameda County consistent with the FY2013-14 Measure B Capital Program Strategic Plan approved by the Commission in May 2013. Some of the key projects included in the proposed budget update are as follows:

- BART Warm Springs Extension Project
- BART Oakland Airport Connector Project
- I-680 Sunol Express Lanes Project
- Route 92 Clawiter-Whitesell Interchange Project
- Isabel Avenue – Route 84/I-580 Interchange
- Route 84 Expressway Project in Livermore

The budget no longer assumes an inter-fund loan from the ACTA Capital Fund to the ACTIA Capital Fund, because bond proceeds are available for the ACTIA Capital Fund expenditures as of March 2014.

Background

Development of the FY2013-14 budget and this proposed budget update were centered on the mission and core functions as defined in the Agency Strategic Business Plan which was endorsed by the Commission. The objective was to develop a budget that would enable the Alameda CTC to plan, fund and deliver transportation programs and projects that expand access and improve mobility in Alameda County. This was accomplished by devoting available resources to identify transportation needs and opportunities in the County and formulate strategies and solutions; by providing the funding necessary to evaluate, prioritize, and fund programs and projects, and by funding the delivery of quality programs and projects so they could be completed on schedule and within budget.

Significant Budget Adjustment Detail

General Fund

- **Expenditures** have increased \$0.9 million mostly related to the costs associated with the development of a new Transportation Expenditure Plan (TEP), outreach, research and other costs related to the new measure expected to go before the voters of Alameda County in November 2014.

Special Revenue Funds

- **Revenues** have increased \$2.1 million primarily due to TIGER grant and East Bay Regional Park District funding on Measure B related grant projects.
- **Expenditures** have increased \$2.3 million to reflect additional Measure B grants awarded in relation to the coordinated call for projects.

Debt Service Funds

- **Revenues** have increased \$20.3 million to reflect the bond proceeds deposited in the interest fund with the trustee to fund interest debt service for the first three years of the bond and a portion of the fourth year.
- **Expenditures** have increased \$1.9 million to reflect an accrual for four months of interest expense debt service.

Capital Projects Funds

ACTIA

- **I-680 Express Lane** decreased \$1.3 million to reflect a correction of TCRP funding related to a reimbursement of Letter of No Prejudice funding to the ACCMA I-680 HOT Lane project.
- **I-238 Widening** increased \$0.5 million for final closeout costs on the project.
- **Route 84 Expressway** increase \$5.0 million to authorize funding for utilities and ROW capital.
- **Dumbarton Corridor** shows an increase and a decrease of \$2.9 million to reflect a transfer of budget authority to break out the Central Avenue Overpass phase of the project as a separate project.
- **I-880 Corridor Improvements** increased \$2.6 million to authorize additional funding for the ACCMA I-880 North Safety & Operations Improvements 23rd & 29th Project previously approved by the Commission.

Fiscal Impact:

The fiscal impact of approving the proposed FY13-14 budget update to would be to provide additional resources of \$181.6 million and authorize additional expenditures of \$121.9 million, reflecting an overall increase in fund balance of \$59.7 million for a projected ending fund balance of \$259.7 million.

Attachments

- ACTIA FY2013-14 Proposed Updated Budget
- ACTIA FY2013-14 Proposed Updated Capital Projects Budget
- ACTIA FY2013-14 Proposed Updated Budget Limitation Calculations

Staff Contact

[Patricia Reavey](#), Director of Finance

This page intentionally left blank

Measure B Sales Tax Function Fiscal Year 2013-14 Proposed Updated Budget

	Projected Beginning Fund Balance		General		Special Revenue		Debt Service Fund		ACTIA Capital Project		ACTA Capital Project		Inter-Agency Adjustments/ Eliminations		Total	
	Funds Proposed	\$	Funds Proposed	\$	Funds Proposed	\$	Proposed	\$	Fund Proposed	\$	Fund Proposed	\$	Proposed	\$	Proposed	\$
Revenues:																
Sales Tax Revenues																
Investment Income																
Member Agency Fees																
VRF Funds																
Bond Proceeds																
Other Revenues																
Grants																
Total Revenues	5,425,826		70,875,775		20,335,856		216,885,205		438,609		303,712,271					
Expenditures:																
<u>Administration</u>																
Salaries and Benefits	662,605		-		-		-		210,238		872,842					
General Office Expenses	1,365,412		7,000		1,868,776		596,042		334,987		4,165,217		(7,000)			
Other Administration	645,874		174,594		-		26,000		123,824		970,292		-			
Commission and Community Support	148,375		33,000		-		-		20,125		168,500		(33,000)			
Contingency	75,000		-		-		-		25,000		100,000		-			
<u>Planning</u>																
Salaries and Benefits	-		-		-		-		-		-		-			
Planning Management and Support	508,915		-		-		-		158,465		667,381		-			
CWTP/Transportation Expenditure Plan	658,500		-		-		-		-		658,500		-			
Congestion Management Program	-		-		-		-		-		-		-			
Other Planning Projects	-		-		-		-		-		-		-			
<u>Programs</u>																
Salaries and Benefits	-		208,304		-		-		-		208,304		-			
Programs Management	-		623,588		-		-		-		623,588		-			
Safe Routes to School Programs	-		-		-		-		-		-		-			
VRF Programming and Other Costs	-		-		-		-		-		-		-			
Measure B Pass-Through	-		64,231,409		-		-		-		64,231,409		-			
Grant Awards	-		7,786,495		-		-		-		7,786,495		-			
Other Programming	-		-		-		-		-		-		-			
<u>Capital Projects</u>																
Salaries and Benefits	-		-		-		-		134,414		185,811		-			
Capital Project Expenditures	-		-		-		-		44,251,702		167,061,619		(10,209,000)			
Indirect Cost Recovery/Allocation																
Indirect Cost Recovery from Capital, Spec Rev & Exch Funds																
Total Expenditures	4,064,681		73,064,390		1,868,776		133,775,374		45,175,737		247,699,958		(10,249,000)			
Net Change in Fund Balance	1,361,145		(2,188,615)		18,467,080		83,109,831		(44,737,129)		56,012,313		-			
Projected Ending Fund Balance	20,905,562		6,942,999		18,467,080		129,684,001		83,748,927		259,748,570		-			

This page intentionally left blank

**2000 Measure B Sales Tax
Fiscal Year 2013-2014
Proposed Updated Capital Project Budget**

Project Name	Project #	(A)		(B)		(C)		(D)		(E)		(C) + (D) + (E) = (F)		Funding Sources			
		Adopted FY 2012-13 Capital Budget		Actual FY 2012-13 Expenditures		FY 2012-13 Rollover to FY 2013-14		Adopted FY 2013-14 Capital Budget		FY 2013-14 Capital Budget Adjustment		FY 2013-14 Capital Budget w/ Actual Rollover		Total Local Funding Sources	Total Regional Funding Sources	Total State Funding Sources	Total Federal Funding Sources
ACE Capital Improvements	601.0	\$ 6,730,665		\$ 3,025,775		3,704,890		\$ 15,000,000		\$ -		\$ 3,704,890		\$ -	\$ -	\$ -	\$ -
BART Warm Springs Extension	602.0	31,540,197		1,951,062		19,997,135		15,000,000		-		34,597,135		-	-	-	-
BART Oakland Airport Connector	603.0	3,782,700		222,000,000		3,782,700		20,000,000		-		3,782,700		-	-	-	-
Danville Bypass	604.0	3,782,700		3,782,700		3,782,700		2,000,000		-		3,782,700		-	-	-	-
Telegraph Avenue Bus Rapid Transit	607.1	3,521,467		1,458,476		2,062,991		2,000,000		-		4,062,991		-	-	-	-
I-680 Express Lane	608.0-1	9,641,578		4,608,483		5,033,095		500,000		(1,340,000)		3,693,095		-	-	-	-
Iron Horse Trail	609.0	500,000		-		500,000		500,000		-		1,000,000		-	-	-	-
I-880/Broadway-Jackson Interchange	610.0	2,528,440		558		2,527,882		-		-		2,527,882		-	-	-	-
I-580/Castro Valley Interchanges Improvements	612.0	1,793,036		174,061		1,618,975		-		-		1,618,975		-	-	-	-
Levellings/East Levelling	613.0	650,000		12,778		637,222		-		-		637,222		-	-	-	-
I-580 Auxiliary Lanes	614.0	-		(1,230)		1,230		-		-		1,230		-	-	-	-
I-580 Auxiliary Lanes - Westbound Fallon to Tassajara	614.1	712,000		-		712,000		-		-		712,000		-	-	-	-
I-580 Auxiliary Lanes - Westbound Alway to Fallon	614.2	2,174,729		98,397		2,076,332		-		-		2,076,332		-	-	-	-
I-580 Auxiliary Lanes - E/B El Chorro to Alway	614.3	45,000		(986)		45,986		-		-		45,986		-	-	-	-
Rte 92/Clavien-Whitesell Interchange	615.0	4,250,000		184,503		4,065,497		4,000,000		-		8,065,497		-	-	-	-
Hesperian/Levelling Widening	617.1	599,622		-		599,622		-		-		599,622		-	-	-	-
Westgate Extension	618.1	2,173,850		171,620		2,002,030		(1,573,850)		-		428,180		-	-	-	-
E. 14th/Hesperian/150th Improvements	619.0	2,365,000		774,129		2,191,871		-		-		2,191,871		-	-	-	-
Levellings - Connector Study	620.0	460,517		140,412		320,105		-		515,929		836,024		-	-	-	-
I-580/Lakeville Interchange	621.0	469,517		140,744		328,773		-		-		328,773		-	-	-	-
Isabel - Route 84/I-580 Interchange	623.0	10,813,906		4,803,867		6,010,039		4,525,537		-		10,535,576		-	-	-	-
Route 84 Expressway	624.0-3	12,507,982		6,082,923		6,425,059		2,600,000		5,000,000		14,025,059		-	-	-	-
Dumbarton Corridor	625.0	3,281,098		178,352		3,102,746		-		(2,900,000)		202,746		150,000	-	-	-
I-580 Corridor/BART to Livermore	625.1	3,265,009		2,004,533		1,261,476		-		2,900,000		2,900,000		-	-	-	-
I-880 Integrated Corridor Mobility	626.0	1,340,844		825,805		515,039		384,757		-		1,646,233		-	-	-	-
I-880 Corridor Improvements in Oakland and San Leandro	627.2	934,769		889,915		44,854		438,249		(180,039)		335,000		-	-	-	-
CWTP/TEP Development	627.3	50,000		-		50,000		-		2,550,000		3,033,103		-	-	-	-
Studies at Congested Segments/Locations on CMP	627.4	800,000		-		800,000		-		(450,000)		350,000		-	-	-	-
Project Management / Closeout	600.0	-		-		-		795,609		105,391		901,000		-	-	-	-
		\$ 138,012,136		\$ 59,750,898		\$ 78,281,748		\$ 48,670,302		\$ 6,207,281		\$ 133,153,331		\$ 126,505,270	\$ 150,000	\$ 4,664,000	\$ 1,834,062
																	\$ 133,153,331

This page intentionally left blank

Alameda County Transportation Improvement Authority
Fiscal Year 2013-2014
Proposed Updated Budget Limitation Calculations

Net Sales Tax	\$	120,000,000	A
Investments & Other Income		<u>183,712,271</u>	B
Funds Generated	\$	303,712,271	C
Administrative Salaries & Benefits	\$	662,605	D
Other Administration Costs		<u>3,402,076</u>	E
Total Administration Costs	\$	4,064,681	F
Gross Salaries & Benefits to Net Sales Tax		0.5522% = D/A	
Gross Salaries & Benefits to Funds Generated		0.2182% = D/C	
Total Administration Costs to Net Sales Tax		3.3872% = F/A	

This page intentionally left blank



Memorandum

9.2

1111 Broadway, Suite 800, Oakland, CA 94607

• PH: (510) 208-7400

• www.AlamedaCTC.org

DATE: March 3, 2014

SUBJECT: Alameda CTC FY2013-14 Second Quarter Investment Report

RECOMMENDATION: Approve the Alameda CTC FY2013-14 Second Quarter Investment Report

Summary

The Quarterly Investment Report (Attachment A) provides balance and average return on investment information for all cash and investments held by the Alameda CTC as of December 31, 2013. The report also shows balances as of June 30, 2013 for comparison purposes. The *Portfolio Review for Quarter Ending December 31, 2013* (Attachment B) prepared by SunTrust Bank provides an outlook of current market conditions and an investment strategy to maximize return without compromising safety and liquidity. Alameda CTC investments are in compliance with the adopted investment policy as of December 31, 2013. Alameda CTC has sufficient cash flow to meet expenditure requirements over the next six months.

Activity

The following are key highlights of cash and investment information as of December 31, 2013:

- As of December 31 2013, total cash and investments held by the Alameda CTC were \$225.7 million. This total is a decrease of \$10.5 million or 4.5% over the prior year-end balance of \$236.2 million.
- The ACTA investment balance decreased \$1.6 million or 1.2% due to capital projects expenditures. The ACTIA investment balance decreased \$10.7 million or 12.3% also due to capital project expenditures. The ACCMA investment balance increased \$1.8 million or 7.8% resulting from the timing between VRF collections and VRF program expenditures.
- Investment yields have declined with the return on investments for the Alameda CTC at 0.34% compared to the prior year's return of 0.57%. Return on investments were projected for the FY2013-14 budget year at varying rates ranging from 0.3% - 0.5% depending on investment type.

- Staff has been working diligently over the past several months to bring on a financing team and prepare all of the required documents for a debt issuance designed to meet ACTIA's Capital Project Fund obligations. Staff is expected to price and sell the bonds in February. The "AAA" ratings Alameda CTC received from rating agencies, both Standard & Poor's Rating Services and Fitch Ratings, should reduce the cost of borrowing for this bond issuance.

Fiscal Impact

There is no fiscal impact.

Attachments

- A. Consolidated Investment Report as of December 31, 2013
- B. Portfolio Review for Quarter Ending December 31, 2013 (provided by SunTrust Bank)
- C. Fixed Income Portfolio as of December 31, 2013

Staff Contact

[Patricia Reavey](#), Director of Finance

[Lily Balinton](#), Accounting Manager

Alameda CTC							
Consolidated Investment Report							
As of December 31, 2013							
ACTA	Un-Audited		Interest Earned		FY 2012-2013		
	Investment Balance	Interest earned	As of December 31, 2013 Approx. ROI	Budget	Difference	Investment Balance June 30, 2013	Interest earned FY 2012-2013
Checking Account	\$ 62,770	\$ 6	0.02%			\$ 990,642	\$ 35
State Treasurer Pool (LAIF)	48,903,476	57,225	0.23%			26,312,847	37,613
Investment Advisor ⁽¹⁾	65,894,362	189,635	0.58%			89,135,230	994,095
Loan to ACCMA	10,000,000	-				10,000,000	-
ACTA Total	\$ 124,860,609	\$ 246,866	0.40%	\$ 215,000	\$ 31,866	\$ 126,438,719	\$ 1,031,742
						Approx. ROI	0.82%
ACTIA	Un-Audited		Interest Earned		FY 2012-2013		
	Investment Balance	Interest earned	As of December 31, 2013 Approx. ROI	Budget	Difference	Investment Balance June 30, 2013	Interest earned FY 2012-2013
Checking Account	\$ 1,862,112	\$ 175	0.02%			\$ 10,825,653	\$ 235
State Treasurer Pool (LAIF)	51,768,001	48,092	0.19%			32,405,385	78,105
Investment Advisor ⁽¹⁾	22,863,882	43,184	0.38%			43,976,235	148,637
ACTIA Total	\$ 76,493,995	\$ 91,450	0.24%	\$ 21,000	\$ 70,450	\$ 87,207,273	\$ 226,977
						Approx. ROI	0.26%
ACCMA	Un-Audited		Interest Earned		FY 2012-2013		
	Investment Balance	Interest earned	As of December 31, 2013 Approx. ROI	Budget	Difference	Investment Balance June 30, 2013	Interest earned FY 2012-2013
Checking Account	\$ 2,576,518	\$ -	0.00%			\$ 2,713,936	\$ -
State Treasurer Pool (LAIF)	17,010,148	23,820	0.28%			14,848,174	44,446
Project Deferred Revenue ⁽²⁾	14,775,983	19,188	0.26%			15,030,817	52,207
Loan from ACTA	(10,000,000)	-				(10,000,000)	-
ACCMA Total	\$ 24,362,648	\$ 43,008	0.35%	\$ -	\$ 43,008	\$ 22,592,926	\$ 96,653
						Approx. ROI	0.43%
ACTC TOTAL	\$ 225,717,252	\$ 381,324	0.34%	\$ 236,000	\$ 145,324	\$ 236,238,919	\$ 1,355,373

Notes:

(1) See attachments for detail of investment holdings managed by Investment Advisor.

(2) Project funds in deferred revenue are invested in LAIF with interest accruing back to the respective fund which include TVTC, San Leandro Marina, TCRP, PTMISEA and Cal EMA.

(3) All investments are marked to market on the financial statements at the end of the fiscal year per GASB 31 requirements.

(4) Alameda CTC investments are in compliance with the currently adopted investment policies.

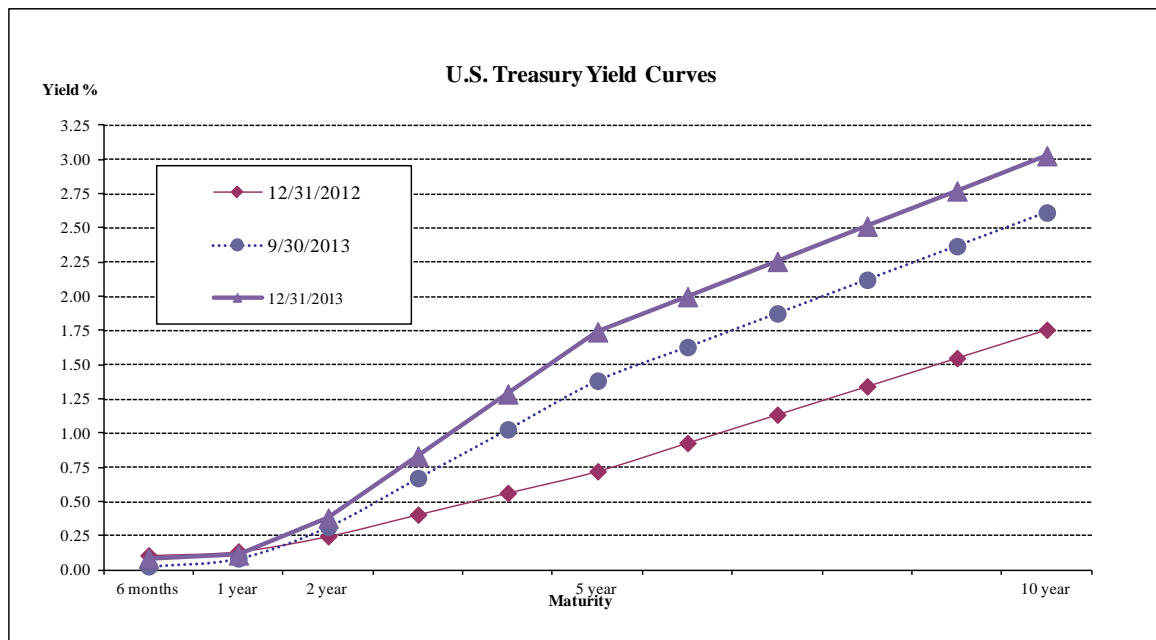
(5) Alameda CTC has sufficient cash flow to meet expenditure requirements over the next six months.

This page intentionally left blank

Alameda County Transportation Commission Portfolio Review for Quarter Ending December 31, 2013

Fixed Income Market Review and Outlook

Stronger than expected news on the economy, a better than expected compromise on the Federal Budget Deficit, and the announcement of a reduction in the pace of long-term bond purchases by the Federal Reserve drove interest rates higher in the fourth quarter of 2013. As illustrated in the graph below, for both the quarter and the year, the character of recent rate increases has been for long-term rates to move higher while short-term rates remain anchored.



Data Source: Bloomberg Finance L.P.

Interest rates on long-term bonds are being driven primarily by expectations for the Federal Reserve Board's (Fed) tapering of its purchases of longer term Treasury bonds and mortgage backed securities. Late in the quarter, the Fed announced its intention to reduce the pace of its recent purchases from \$85 billion per month to \$75 billion per month beginning in January of 2014. Although this might appear as a rather modest reduction, the market expects the pace of the Fed's bond purchases to continue to decline throughout the year.

Interest rates on short-term bonds are being driven by expectations for the Fed's eventual increase in the level of the Federal Funds Rate. Earlier expectations had been for the Fed to begin to raise the Fed Funds rate by the middle of 2015. At most, recent

events have pushed these expectations out by a few months. The timing and pace of any increases in the Fed Funds rate will be highly influenced by the employment situation. Most market participants believe the Fed will refrain from raising short term interest rates until the unemployment rate is near 6.0%. Currently, the national rate is 7.0%.

Going forward, the direction of interest rates will continue to revolve around the changing expectations for monetary policy. Monetary policy, in turn, will hinge on the pace of economic growth and improvement in the labor market. SunTrust remains optimistic that growth will pick up and there will be continued modest employment growth as we move through 2014. Barring some form of an exogenous shock, stronger growth should lead to higher rates.

Strategy

Over the foreseeable future SunTrust expects interest rates to move gradually higher. Currently, the portfolio's sensitivity to a change in interest rates is modestly below that of the benchmark. The current low rate environment leaves the bond market without much of a yield cushion to avoid negative rates of returns should interest rates begin to rise more than already anticipated by the market.

Given our outlook and the current level of uncertainty in the markets, we are comfortable keeping the portfolio's exposure to a change in interest rates near that of the benchmark.

For the time being we are recommending any surplus cash flows from maturing issues be rolled over into LAIF. As opportunities present themselves, we will be strategically placing investments where we believe they can provide a higher return than LAIF.

As of the end of the quarter, the consolidated Alameda CTC portfolio consisted of 63.2% US Government Agency securities, 0.0% US Treasury securities, 26.3% High Grade Corporate Bonds, 4.8% Certificates of Deposit, 4.5% Commercial Paper and 1.2% in cash and cash equivalents.

Compliance with Investment Policy Statement

For the quarter ending December 31, 2013, the Alameda CTC portfolio was in compliance with the investment policy statement.

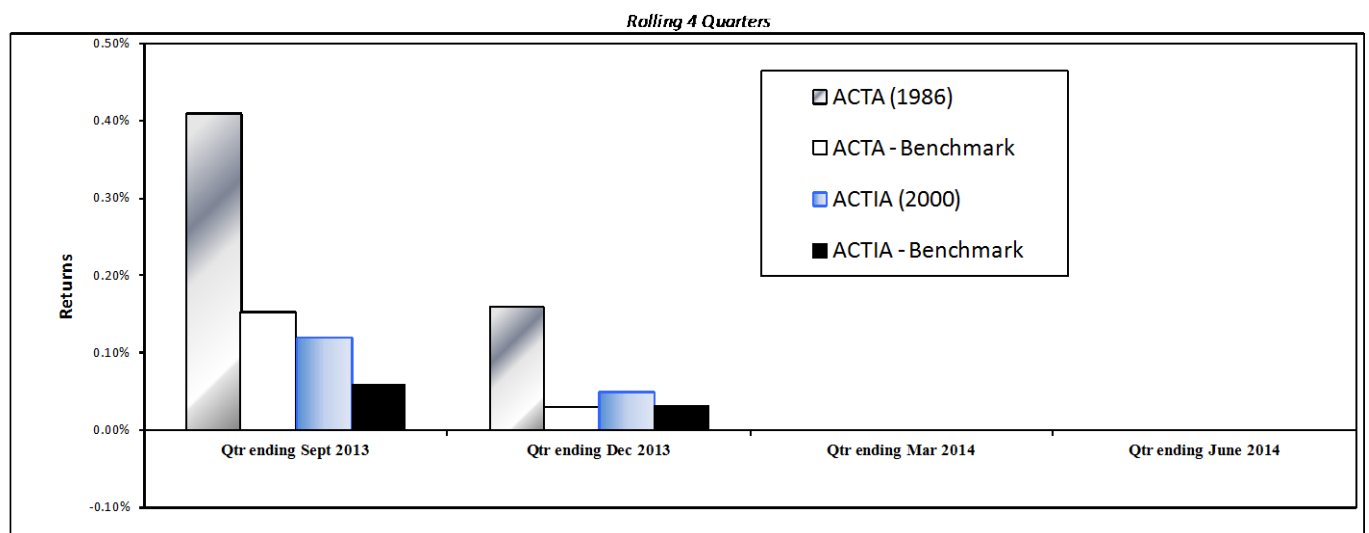
(Note: The Investment Policy allows for a greater than specified percentage of a particular asset class if at the time of original purchase the portfolio was in line with policy. While the combined portfolio currently contains 1.3% more in corporate bonds than is specified by the policy, at the time of initial purchase the percent of corporate bonds in the portfolio was below the specified 25% limit.)

Budget Impact

The portfolio's performance is reported on a total economic return basis. This method includes the coupon interest, amortization of discounts and premiums, capital gains and losses and price changes (i.e., unrealized gains and losses). For the quarter ending December 31, the ACTA (1986) portfolio returned 0.16%. This compares to the benchmark return of 0.03%. For the quarter ending December 31, the ACTIA (2000) portfolio returned 0.05%. This compares to the benchmark return of 0.03%. The exhibit below shows the performance of the Alameda CTC's portfolios relative to their respective benchmarks for the quarter.

The portfolio's yield to maturity and the return the portfolio will earn in the future if all securities are held to maturity is also reported. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending December 31, the ACTA (1986) portfolio's yield to maturity or call was 0.32%. The benchmark's yield to maturity was 0.19%. For the quarter ending December 31, the ACTIA (2000) portfolio's yield to maturity or call was 0.30%. The benchmark's yield to maturity was 0.06%.

Quarterly Review - Account vs. Benchmark



Trailing 12 Months	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Inception to Date
MONTHLY PERFORMANCE DATA													
Alameda ACTA (1986)	0.34%	-0.01%	0.08%	0.09%	0.06%	0.01%							0.57%
Alameda ACTIA (2000)	0.10%	0.00%	0.02%	0.03%	0.01%	0.01%							0.17%
Benchmark - ACTA	0.08%	-0.01%	0.09%	0.03%	0.02%	-0.02%							0.18%
Benchmark - ACTIA	0.02%	0.02%	0.02%	-0.01%	0.01%	0.03%							0.09%

This page intentionally left blank

SunTrust Bank
FIXED INCOME PORTFOLIO
Alameda CTC
ACTA 1986 Measure B
December 31, 2013

Par Value	Symbol	Security	Moody Rating	S&P Rating	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Dura- tion
CORPORATE BONDS													
3,000,000	452308ah2	Illinois Tool Works Inc 5.150% Due 04-01-14	A2	A+	101.98	3,059,445.00	101.13	3,033,906.00	38,625.00	3,072,531.00	4.6	0.61	0.3
3,500,000	94974bfe5	Wells Fargo 1.500% Due 07-01-15	A2	A+	101.28	3,544,660.00	101.41	3,549,217.00	26,250.00	3,575,467.00	5.4	0.56	1.5
3,500,000	46623ejr1	JPMorgan Chase & Co MTN BE 1.100% Due 10-15-15	A3	A	100.02	3,500,875.00	100.38	3,513,349.00	8,127.78	3,521,476.78	5.3	0.88	1.8
3,500,000	36962g4t8	GE Capital Corp MTN BE 2.250% Due 11-09-15	A1	AA+	102.62	3,591,700.00	103.06	3,607,138.50	11,375.00	3,618,513.50	5.5	0.59	1.8
1,600,000	06406heg2	Bank New York MTN BE 0.700% Due 03-04-16	A1	A+	99.82	1,597,200.00	99.48	1,591,616.00	3,640.00	1,595,256.00	2.4	0.94	2.2
900,000	064159bv7	Bank of Nova Scotia 0.950% Due 03-15-16	Aa2	A+	100.21	901,854.00	100.14	901,279.80	2,517.50	903,797.30	1.4	0.88	2.2
CORPORATE BONDS Total						16,195,734.00		16,196,506.30	90,535.28	16,287,041.58	24.6	0.70	1.5
GOVERNMENT AGENCY ISSUES													
3,319,000	31398a3g5	Federal Natl Mtg Assn 1.500% Due 09-08-14	Aaa	AA+	101.68	3,374,626.44	100.91	3,349,302.47	15,626.96	3,364,929.43	5.1	0.17	0.7
2,500,000	3135g0dw0	Federal Natl Mtg Assn 0.625% Due 10-30-14	Aaa	AA+	100.59	2,514,650.00	100.37	2,509,207.50	2,604.17	2,511,811.67	3.8	0.18	0.8
5,000,000	3134g4er5	Federal Home Loan Mtg Corp 0.500% Due 08-19-15	Aaa	AA+	100.01	5,000,550.00	100.09	5,004,575.00	9,166.67	5,013,741.67	7.6	0.44	1.6
700,000	3135g0nv1	Federal Natl Mtg Assn 0.500% Due 09-28-15	Aaa	AA+	100.40	702,814.00	100.18	701,236.90	904.17	702,141.07	1.1	0.40	1.7
5,000,000	3135g0xh1	Federal Natl Mtg Assn 0.500% Due 05-20-16	Aaa	AA+	99.54	4,977,000.00	99.69	4,984,385.00	2,847.22	4,987,232.22	7.5	0.63	2.4
675,000	3133834r9	Federal Home Loan Banks 0.375% Due 06-24-16	Aaa	AA+	99.69	672,934.50	99.66	672,709.72	49.22	672,758.94	1.0	0.51	2.5
GOVERNMENT AGENCY ISSU Total						17,242,574.94		17,221,416.59	31,198.40	17,252,614.99	26.1	0.41	1.6
GOVERNMENT BONDS - ZERO COUPON													
3,000,000	313589tp8	Federal Natl Mtg Assn Disc Nt 0.000% Due 02-26-14	Aaa	AA+	99.98	2,999,311.67	100.00	2,999,862.00	0.00	2,999,862.00	4.5	0.03	0.2
4,000,000	313385un4	Federal Home Loan Bank Cons Disc Nt 0.000% Due 03-21-14	Aaa	AA+	99.97	3,998,816.68	99.99	3,999,652.00	0.00	3,999,652.00	6.1	0.04	0.2
5,000,000	313589xy4	Federal Natl Mtg Assn Disc Nt 0.000% Due 06-11-14	Aaa	AA+	99.94	4,996,875.00	99.96	4,998,225.00	0.00	4,998,225.00	7.6	0.08	0.4

SunTrust Bank
FIXED INCOME PORTFOLIO
Alameda CTC
ACTA 1986 Measure B
December 31, 2013

Par Value	Symbol	Security	Moody Rating	S&P Rating	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Duration
11,500,000	313397yn5	Federal Home Loan Mtg Corp Disc Nt 0.000% Due 06-25-14	Aaa	AA+	99.93	11,492,192.77	99.96	11,495,549.50	0.00	11,495,549.50	17.4	0.08	0.5
CERTIFICATES OF DEPOSIT													
4,300,000	16144rts2	Chase Bank USA NA Inst Ctf Dep 0.330% Due 02-12-14	P-1	A-1	100.00	4,300,000.00	100.02	4,301,023.40	8,902.77	4,309,926.17	6.5	0.13	0.1
COMMERCIAL PAPER													
4,000,000	90262db79	UBS Fin Del Inc 0.000% Due 02-07-14	P-1	A-1	99.74	3,989,726.67	99.99	3,999,577.84	0.00	3,999,577.84	6.1	0.10	0.1
CASH AND EQUIVALENTS													
	61747c70s	Morgan Stanley Government Inst				747,351.20		747,351.20		747,351.20	1.1		
	cash	Cash Account Balance				105.63		105.63		105.63	0.0		
TOTAL PORTFOLIO													
						65,962,688.56		65,959,269.46	130,636.44	66,089,905.91	100.0	0.32	0.9

SunTrust Bank
FIXED INCOME PORTFOLIO
Alameda CTC
ACTIA 2000 Measure B
December 31, 2013

Par Value	Symbol	Security	Moody Rating	S&P Rating	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Dura- tion
CORPORATE BONDS													
1,500,000	46623je0	JPMorgan Chase & Co MTN BE	A3	A	100.67	1,510,125.00	100.00	1,500,000.00	13,410.42	1,513,410.42	6.6	1.95	0.1
500,000	532457be7	2.050% Due 01-24-14 Lilly Eli & Co	A2	AA-	101.13	505,655.00	100.66	503,287.50	6,708.33	509,995.83	2.2	0.54	0.2
2,500,000	10138mah8	4.200% Due 03-06-14 Bottling Group LLC (Pepsi)	A1	A	103.45	2,586,350.00	101.30	2,532,507.50	51,159.72	2,583,667.22	11.3	0.60	0.2
2,500,000	911312a0	6.950% Due 03-15-14 United Parcel Service Inc	Aa3	A+	102.07	2,551,775.00	100.83	2,520,670.00	24,218.75	2,544,888.75	11.1	0.55	0.3
		3.875% Due 04-01-14				7,153,905.00		7,056,465.00	95,497.22	7,151,962.22	31.2	0.86	0.2
CORPORATE BONDS Total													
GOVERNMENT BONDS - ZERO COUPON													
3,000,000	313385sk3	Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.99	2,999,587.50	100.00	2,999,955.00	0.00	2,999,955.00	13.1	0.02	0.1
2,000,000	313385tm8	0.000% Due 01-29-14 Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.95	1,998,916.67	100.00	1,999,912.00	0.00	1,999,912.00	8.7	0.03	0.2
5,000,000	313385un4	0.000% Due 02-24-14 Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.95	4,997,734.73	99.99	4,999,565.00	0.00	4,999,565.00	21.8	0.04	0.2
2,000,000	313385vq6	0.000% Due 03-21-14 Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.92	1,998,340.83	99.98	1,999,654.00	0.00	1,999,654.00	8.7	0.06	0.3
3,500,000	313397yn5	0.000% Due 04-16-14 Federal Home Loan Mfg Corp Disc Nt	Aaa	AA+	99.93	3,497,623.89	99.96	3,498,645.50	0.00	3,498,645.50	15.2	0.08	0.5
		0.000% Due 06-25-14				15,492,203.62		15,497,731.50	0.00	15,497,731.50	67.5	0.05	0.3
GOVERNMENT BONDS - ZER Total													
CASH AND EQUIVALENTS													
61747c70s		Morgan Stanley Government Inst				308,495.73		308,495.73		308,495.73	1.3		
cash		Cash Account Balance				60.99		60.99		60.99	0.0		
		CASH AND EQUIVALENTS Total				308,556.72		308,556.72		308,556.72	1.3		
TOTAL PORTFOLIO													
						22,954,665.34		22,862,753.22	95,497.22	22,958,250.44	100.0	0.30	0.2

This page intentionally left blank



Memorandum

9.3

1111 Broadway, Suite 800, Oakland, CA 94607

• PH: (510) 208-7400

• www.AlamedaCTC.org

DATE: March 3, 2014

SUBJECT: Debt Issuance for the 2000 Measure B Capital Program

RECOMMENDATION: It is recommended that the Commission approve the:

1. Structure and Issuance of Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 for the delivery of the 2000 Measure B Capital Program for a Par Amount Not to Exceed \$165 Million;
2. The Bond Documents and Bond Authorizing Resolution, in their substantially final form;
3. The State Board of Equalization (SBOE) Amended and Restated Agreement and SBOE Authorizing Resolution;

Adopt Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds; and

Authorize the Chair, the Executive Director and/or the Director of Finance to Execute all Documents Required for the Issuance of the Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014.

Summary

Per the Public Utilities Code, the Alameda CTC is authorized to issue limited tax bonds to finance capital expenditures as provided for in the transportation expenditure plan which are to be payable from the proceeds of the sales tax measure. The Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 (Series 2014 Bonds), to be issued in a par amount not to exceed \$165 million, will provide funding on a programmatic basis for the Measure B capital projects program. The projects with the largest draw on Measure B capital project funds over the next few years include the BART Warm Springs Extension, the BART Oakland Airport Connector, the Route 84 Expressway, and the I-580 Corridor Improvements projects, which together account for most of the debt financing need. The issuance of the Series 2014 Bonds will ensure that the ACTIA capital projects fund will be able to continue to meet the cash flow requirements of these and other projects, as well as pay debt service, both in the near term and throughout the life of the measure.

Approval of the requested action will allow for the bond issuance process to proceed expeditiously, taking advantage of the currently low interest rate environment and strong bond market. In addition, the most current revenue projections and cash flow analysis for

the Measure B capital program indicates that there will be more than adequate funding available to repay the associated debt service.

The financing team has completed the following steps in the bond issuance process:

- Drafted forms of documents to meet objectives
- Created and presented a comprehensive overview of Alameda CTC, the regional economy, and the security and structure for the Series 2014 Bonds to Standard and Poor's and Fitch
- Received ratings

Once the Commission has approved the issuance of the Series 2014 Bonds and associated documents, the next steps in the bond issuance process will be to (with approximate timing):

- Print and distribute the Preliminary Official Statement (end of January),
- Market the Series 2014 Bonds to investors through conference calls, investor meetings and a web-based audio-visual presentation (last week of January through the 2nd week of February),
- Price the Series 2014 Bonds (2nd week of February),
- Sign the Bond Purchase Agreement (2nd week of February),
- Print the final Official Statement (3rd week of February),
- Sign all final financing and bond documents (3rd week of February), and
- Close the Series 2014 Bond sale (last week of February).

In order to comply with covenants in the bond documents and to maintain positive investor relations, staff will set up procedures to ensure that once bonds are issued, debt service is paid accurately and timely and that continuing disclosure requirements are met. Continuing disclosure information should reflect the changes in sales tax revenues over time and includes specific events that can have an impact on key features of the bonds. This information is loaded on the Municipal Securities Rulemaking Board's (MSRB) Electronic Municipal Market Access (EMMA) website at www.EMMA.MSRB.org.

Background

Objectives in Structuring the Series 2014 Bonds

In designing the structure of the Series 2014 Bonds, the financing team had the following objectives:

- Design a financing structure that can be executed quickly to take advantage of the current low interest rate environment,
- Ensure that cash flow demands were met to fund the Measure B capital program,
- Utilize a traditional fixed-rate structure, and
- Secure a strong credit rating from both Standard & Poor's and Fitch.

Series 2014 Bonds: Security and Preliminary Structure

The financing team reviewed several options for how the Series 2014 Bonds should be structured utilizing a traditional fixed-rate approach. The recommended security and structure includes the following elements:

- Gross pledge of Measure B sales tax revenues
- Issuance of premium-bonds with a not to exceed amount of \$165 million par value
- Interest only debt service through 2016 (deferred principal payments during period of maximum project construction draws)
- First principal payment is expected to be March 1, 2017
- Level debt service from 2017 - 2022
- Final maturity of the Series 2014 Bonds is expected to be March 1, 2022
- Closed senior lien (refunding bonds and subordinate obligations are permitted by the Indenture, but staff does not expect to recommend the issuance of any additional financing mechanism for Measure B)
- No debt service reserve fund
- Non-callable structure
- Estimated Maximum Annual Debt Service (MADS) coverage of 4.52x (based on FY2013 sales tax revenues and a preliminary bond par amount of \$138.09 million)

Please note that some of these structural features may change based on changes in market conditions between now and the time the Series 2014 Bonds are sold/priced, which is expected to be early to mid-February.

Overview of Bond Documents

The recommendation is for the Commission to approve the substantially final form of several financing and bond documents that are required to execute the Series 2014 Bonds and to adopt post-issuance tax compliance policies and procedures to comply with requirements established by the Internal Revenue Service applicable to issuers of tax-exempt bonds. Each of these documents has either been prepared or reviewed by bond counsel or bond disclosure counsel, Orrick, Herrington & Sutcliffe, LLP or Fulbright & Jaworski LLP, respectively. All financing documents also have been reviewed by the Alameda CTC's general counsel and the financing team, which includes staff, PFM as financial advisor, Citigroup as senior managing underwriter and Barclays as co-managing underwriter.

Master Indenture – The master indenture is the agreement between the Alameda CTC and Union Bank, N.A., as trustee acting on behalf of the bond holders, which sets forth the basic terms and conditions for the transaction, creates the sales tax revenue pledge and security features, establishes the flow of funds and the duties of the bond trustee.

First Supplemental Indenture – The first supplemental indenture is the agreement between the Alameda CTC and Union Bank, N.A., as trustee acting on behalf of the bond holders,

which sets forth the terms of the Series 2014 Bonds, including interest rates and maturity dates.

Preliminary Official Statement – The preliminary official statement (POS) is the document that is distributed to potential investors to solicit their interest in purchasing the Series 2014 Bonds. It provides information concerning the bond issue and background information concerning the Alameda CTC. As required by the Securities and Exchange Commission, the document must be true and correct in all material respects, and may not have any misleading omissions. Subsequent to pricing the Series 2014 Bonds, the pricing information will be inserted. After the pricing information is inserted, the preliminary designation is deleted from the document and the document is identified as the Official Statement which will be distributed to all purchasers of the Series 2014 Bonds.

Bond Purchase Agreement – The bond purchase agreement is a contract between the Alameda CTC and the underwriting syndicate, which is represented by Citigroup, as senior managing underwriter of the Series 2014 Bonds, under which the underwriter will purchase the Series 2014 Bonds from Alameda CTC and resell them to investors. Under this agreement, the underwriter would receive compensation based on a formula of \$1 per \$1,000 of bonds issued, plus actual expenses for the underwriters' legal counsel and other costs directly related to the transaction. The level of compensation is favorable as compared with other comparably-sized bond transactions that have recently been completed. For a \$165 million bond issue, based on this formula, the underwriter's discount would be approximately \$165,000, excluding expenses. The compensation and expense reimbursement is contingent on the closing of the transaction.

Continuing Disclosure Agreement – The continuing disclosure agreement is an agreement between the Alameda CTC and Union Bank, N.A., serving as Dissemination Agent, under which the Alameda CTC agrees to provide certain information related to the sales tax revenues on an annual basis and to provide notices of certain specified events to the marketplace for the life of the Series 2014 Bonds.

State Board of Equalization Amended and Restated Agreement – This agreement between Alameda CTC and the State Board of Equalization (SBOE) amends and restates the agreement effective January 1, 2002 when Measure B originally was initiated. This amended and restated agreement provides for the SBOE to transmit sales tax revenues directly to Union Bank, N.A. as trustee who will withhold the portion related to debt service and forward the balance on to Alameda CTC. This structure provides additional security for the holders of the Series 2014 Bonds and is usual and customary for sales tax revenue financings.

Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds – These policies and procedures are required to be established and adopted by issuers of tax-exempt bonds to ensure compliance with the requirements of federal tax law which preserve the tax-exempt status of interest on the Series 2014 Bonds.

Not to Exceed Bond Authorization

The recommended not to exceed amount of bond authorization for the Series 2014 Bonds is \$165 million. At this time, staff anticipates issuing approximately \$138.09 million in bonds. However, the maximum authorization level has been set higher in order to provide flexibility in structuring the bonds themselves, in relation to premium or discount. This flexibility will allow the Alameda CTC financing team to respond appropriately to any changes in market conditions and investor demand that may occur between now and the date of the bond sale.

Cost of Issuance

The Alameda CTC will incur up to an estimated \$647,500 in costs associated with the Series 2014 Bond issuance, referred to as "costs of issuance". These costs will be paid from the proceeds of the bond issuance and they include:

- Up to \$68,000 for PFM for acting as financial advisor on this transaction. This amount is contingent on the closing of the transaction.
- Up to \$79,500 for Orrick, Herrington & Sutcliffe, LLP, to serve as bond counsel for this transaction. This amount is contingent on the closing of the transaction.
- Up to \$80,000 for Fulbright & Jaworski LLP, to serve as bond disclosure counsel for this transaction. This amount is contingent on the closing of the transaction.
- Up to an estimated \$255,000 for Citigroup/Barclays for acting as underwriter on this transaction. This amount is contingent on the closing of the transaction.
- An estimated \$165,000 will be needed for rating agency fees, trustee fees, bond printer and other miscellaneous costs.

Remaining Steps in Series 2014 Bond Issuance

If the Commission approves the recommendation, the financing team will proceed to take the financing to market. The following steps will occur prior to the closing of the Series 2014 Bond issuance, which is currently scheduled for the week of February 24, 2014 (subject to change based on market conditions):

- Finalize the Preliminary Official Statement, print and distribute to potential investors,
- Market the Series 2014 Bonds to investors through conference calls, investor meetings and a web-based audio-visual presentation,
- Price the Series 2014 Bonds,
- Sign the Bond Purchase Agreement,
- Print the final Official Statement,
- Sign all final financing and bond documents, and
- Close the Series 2014 Bond sale.

During the sale of the Series 2014 Bonds, Alameda County residents will be given priority on bond purchase orders (meaning orders received from Alameda County residents will be filled

at the final yield before others). Staff expects to report back to the Commission on the final results of the Series 2014 Bond issuance at the March 2014 meeting.

Fiscal Impact: The fiscal impact for approving this item is up to an estimated \$2.68 million of expenses for FY2013-14. Cost of issuance expenses of up to \$647,500 will be paid out of bond proceeds and debt service costs of approximately \$2.04 million will be accrued for March through June of this fiscal year and paid out of Measure B sales tax revenues next fiscal year on September 1, 2014. All of these costs will be included in a new debt fund in the mid-year budget update for FY2013-14.

Attachments

- A. Authorizing Resolution – Authorizing the Issuance and Sale of Not to Exceed \$165 million Aggregate Principal Amount of Alameda County Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014
- B. Indenture Between Alameda County Transportation Commission and Union Bank, N.A., as Trustee Relating to Alameda County Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds)
- C. First Supplemental Indenture Between Alameda County Transportation Commission and Union Bank, N.A., as Trustee Relating to Alameda County Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014
- D. Preliminary Official Statement for Alameda County Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014
- E. Alameda County Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 Bond Purchase Agreement
- F. Continuing Disclosure Agreement by and between Alameda County Transportation Commission and Union Bank, N.A., as Dissemination Agent
- G. Amended and Restated Agreement for Administration of District Transaction and Use Taxes between the Alameda County Transportation Commission and the California State Board of Equalization
- H. California State Board of Equalization Authorizing Resolution Authorizing an Amended and Restated Agreement for the Administration of District Transaction and Use Taxes between the Alameda County Transportation Commission and the California State Board of Equalization
- I. Post Issuance Tax Compliance Procedures for Tax-Exempt Bonds

Staff Contact

[Patricia Reavey](#), Director of Finance



Memorandum

9.4

1111 Broadway, Suite 800, Oakland, CA 94607

• PH: (510) 208-7400

• www.AlamedaCTC.org

DATE: March 3, 2014

SUBJECT: Results of Solicitation of Ratings for Debt Issuance

RECOMMENDATION: Receive an update on the results of the solicitation for ratings from Standard and Poor's Rating Services and Fitch Ratings.

Summary

This is an informational item only.

Since the Alameda CTC's debt issuance planned for February 2014 is an inaugural issuance, one of the key steps in the process was to approach rating agencies to receive a rating for the Alameda CTC bond. The financing team decided that the best approach would be to solicit two ratings and selected Standard and Poor's Rating Services and Fitch Ratings with the expectation that the Alameda CTC would receive the best ratings possible from these agencies based on historical results and the rating agencies defined rating criteria. Last week the Alameda CTC received the results of the extensive effort put towards the rating process from Standard and Poor's Rating Services and Fitch Ratings. The Alameda CTC's inaugural bond issuance received a rating of AAA (the highest possible rating) from both Standard and Poor's Rating Services and Fitch Ratings. This is a tremendous accomplishment for the financing team which reflects very positively on the Alameda CTC. Rating agencies base their ratings of a sales tax revenue bond on the planned structure and security of a bond issuance, local economics which reflect the agency's ability to repay the debt and the leadership of the agency. **The Alameda CTC is now the first and only self-help county in the State of California with a sales tax revenue bond rating of AAA from Fitch Ratings.**

Background

In the effort to approach rating agencies for a rating, the financing team prepared an extensive presentation which included information related to all aspects of the Alameda CTC, the successes of Measure B, information on the local economy and demographics, the planned structure and security of the upcoming bond issuance and biographies of the executive team. In the presentation, the financing team made it clear to the rating agencies that our expectation was the Alameda CTC deserved a rating of AAA based on the structure and security of the bond and the economics. This was an important strategy because Fitch Ratings had never previously delivered a AAA rating to a self-help county in

the State of California on a sales tax revenue bond. The presentations were delivered in person in the Alameda CTC's new offices by the Alameda CTC Chair, Scott Haggerty, Executive Director, Art Dao, Director of Finance, Patricia Reavey, Deputy Director, Stewart Ng and Accounting Manager, Lily Balinton on December 6. Over the next month, the rating agency representatives spent a significant amount of time becoming comfortable with the financing team's suggested rating, engaging in multiple follow up conference calls with members of the financing team. The financing team prepared a significant amount of the credit work and presentation information necessary for the representatives to utilize when presenting to their ratings committees for the final ratings. The financing team and staff are very pleased with the results of this rating effort and believe it will save money on the sale of the bonds as well as reflect very well on the Alameda CTC as it again goes before the voters of Alameda County. These ratings demonstrate the rating agencies confidence in the Alameda CTC's leadership, financial strength, sales tax revenues, structure and security of the bonds and economics of the local economy.

Fiscal Impact: There is no immediate fiscal impact for this informational item; however receiving these AAA ratings has the potential to significantly reduce the cost of interest over the life of the bonds.

Attachments

- A. [Standard and Poor's Report – Alameda County Transportation Commission, California; Sales Tax; AAA/Stable](#) (hyperlinked to the website)
- B. Fitch Ratings Report – Fitch Rates Alameda County Trans Commission, CA Sales Tax Rev 'AAA'; Outlook Stable

Staff Contact

[Patricia Reavey](#), Director of Finance

FITCH RATES ALAMEDA COUNTY TRANS COMMISSION, CA SALES TAX REV 'AAA'; OUTLOOK STABLE

Fitch Ratings-San Francisco-03 January 2014: Fitch Ratings has assigned a 'AAA' rating to the following bonds issued by the Alameda County Transportation Commission, CA (the commission):

--\$145.9 million sales tax revenue bonds (limited tax bonds), series 2014.

The bonds are expected to sell via negotiation on or about the week of Feb. 10, 2014. Proceeds will be used to fund various projects, including the BART Warm Springs Extension, Bart Oakland Airport Connector, Route 84 Interchange, and the I-580 Corridor Improvement projects.

The Rating Outlook is Stable.

SECURITY

The bonds are secured by a first lien on the commission's one-half-cent sales tax collected in the County of Alameda.

KEY RATING DRIVERS

STRONG COVERAGE, CLOSED LIEN: The 'AAA' rating reflects robust coverage on the proposed sales tax revenue bonds, the closed lien structure, and short maturity limiting the exposure to collection volatility.

HEALTHY SALES TAX BASE: Pledged revenues are an existing county-wide voter-approved sales tax supported by a healthy economy. Receipts have renewed growth and surpassed prior highs after a large recessionary decline.

LIMITED OPERATING PRESSURES: Sales tax revenues are dedicated to specific capital projects and programs, and face minimal pressure from transportation operations or other potential uses.

LARGE AND DIVERSE ECONOMY: Alameda County (implied GO rated 'AA+') is part of the large and diverse bay area economy that has proven resilient in the wake of the economic downturn.

RATING SENSITIVITIES

The rating is sensitive to shifts in fundamental credit characteristics including the strong debt service coverage. The Stable Outlook reflects Fitch's expectation that such shifts are highly unlikely.

CREDIT PROFILE

The commission is a joint powers authority formed to plan, fund and deliver significant transportation projects and programs throughout the county. It functions solely as a capital financing agency, with minimal operating responsibilities. Funding priorities include major capital projects, such as Bay Area Rapid Transit (BART) extensions and stations, highway infrastructure, and street improvements.

The commission is governed by 22 elected members representing all county supervisorial districts, cities, BART, and Alameda -Contra Costa (AC) Transit. It was established in 2010 by a merger of the 7

Alameda County Transportation Improvement Authority (ACTIA), itself a successor to the Alameda County Transportation Authority (ACTA), and the Alameda County Congestion Management Agency (ACCMA).

STRONG COVERAGE/CLOSED LIEN

Debt service coverage on the sales tax bonds, which have an eight-year maturity, is strong at 4.3x maximum annual debt service (MADS). Coverage remains healthy under various stress scenarios, including a decline in sales tax revenues of 76.6% - nearly four times the largest historical decline - to equal 1.0x MADS. The indenture prohibits the commission from issuing any additional parity debt apart from refunding bonds (without extension of final maturity), which significantly strengthens the credit quality.

HEALTHY SALES TAX BASE

Pledged sales taxes exhibit an overall positive trend. Tax receipts increased a combined 28% over the last three years to a peak of \$121 million in fiscal 2013 following a decline during the recession of 12.9% and 6.8% in fiscals 2009 and 2010, respectively. For the first quarter for fiscal 2014, receipts increased 2.5% over the same period the prior year.

Collection of the tax began in 1987 with voter approval of Measure B, a county-wide one-half-cent sales tax. In 2000, voters approved a 20-year extension of Measure B with an approval rate of 81.5%. A 2012 ballot measure that would have added a half-cent and extended the tax in perpetuity received 66.53% of the vote, just under the two-thirds majority necessary to pass (66.67%). The commission intends to place a measure on the November 2014 ballot to increase the tax by a half-cent for a period of 30 years. However, payment of debt service on these bonds is solely secured by the 2000 Measure B sales tax revenues.

The commission's funding requirements to date have been met on a pay as you go basis. As of June 2013 the commission reported approximately \$204 million in cash available for capital and programmatic expenses. These funds are also available to pay debt service on commission debt, but are not pledged to bondholders.

SOUND LEGAL PROTECTIONS

Measure B collection of the sales tax sunsets March 31, 2022, which is the same month as the scheduled final maturity date of the series 2014 bonds. The tax is collected by the Board of Equalization and remitted directly to the Trustee. No additional parity bonds are permitted apart from refunding bonds. The Commission may issue subordinate bonds. There is no debt service reserve associated with this series.

MINIMAL OPERATING PRESSURES

The commission's funding commitments associated with the sales tax receipts are restricted to those specified in Measure B, and typically provide only a portion of project costs limiting its exposure to potential project cost overruns. In addition, the commission is restricted by the 20-year Transportation Expenditure Plan established by ordinance to allocating no more than 38.3% of Measure B sales tax revenues to capital projects with the remaining revenues allocated to various programmatic expenditures allocated on a formula basis and through competitive grants to local jurisdictions, including mass transit, local streets and roads, and bike and pedestrian safety. These features protect the commission's sales tax revenues from excess commitments or diversion.

STABLE, DIVERSE ECONOMY

The county is one of five making up the San Francisco metropolitan statistical area (the MSA), and benefits from a strong regional economy and employment gains in neighboring San Francisco and Silicon Valley, with broad-based gains in nearly all industries led by the volatile technology sector. The largest county employers are governmental, led by the University of California, Berkeley, as well as medical centers, though many residents commute across the bay area for employment. The county's unemployment rate of 6.8% as of November 2013 bettered the state and national averages. County incomes are above state and well above national averages, although notably lower than the MSA.

The county's taxable assessed value declined only 4% during the downturn and is currently at its historic peak after increasing a combined 7.7% in the three years ending fiscal 2014. Home values reported by Zillow, though still 13.75% below their prerecession peak, increased 27.5% year-over-year as of October 2013.

Contact:

Primary Analyst
Shannon Groff
Director
+1-415-732-5628
Fitch Ratings, Inc.
650 California Street, 4th Floor
San Francisco, CA 94108

Secondary Analyst
Stephen Walsh
Director
+1-415-732-7573

Committee Chairperson
Michael Rinaldi
Senior Director
+1-212-908-0833

Media Relations: Elizabeth Fogerty, New York, Tel: +1 (212) 908 0526, Email: elizabeth.fogerty@fitchratings.com.

Additional information is available at 'www.fitchratings.com'.

In addition to the sources of information identified in Fitch's Tax-Supported Rating Criteria, this action was additionally informed by information from Creditscope.

Applicable Criteria and Related Research:

--'Tax-Supported Rating Criteria' (Aug. 14, 2012);
--'U.S. Local Government Tax-Supported Rating Criteria' (Aug. 14, 2012).

Applicable Criteria and Related Research:

Tax-Supported Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=686015
U.S. Local Government Tax-Supported Rating Criteria
http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=685314

ALL FITCH CREDIT RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTP://FITCHRATINGS.COM/UNDERSTANDINGCREDITRATINGS](http://fitchratings.com/understandingcreditratings). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGENCY'S PUBLIC WEBSITE 'WWW.FITCHRATINGS.COM'. PUBLISHED RATINGS, CRITERIA AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. FITCH'S CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE 'CODE OF CONDUCT' SECTION OF THIS SITE. FITCH MAY HAVE PROVIDED ANOTHER PERMISSIBLE SERVICE TO THE RATED ENTITY OR ITS RELATED THIRD PARTIES. DETAILS OF THIS SERVICE FOR RATINGS FOR WHICH THE LEAD ANALYST IS BASED IN AN EU-REGISTERED ENTITY CAN BE FOUND ON THE ENTITY SUMMARY PAGE FOR THIS ISSUER ON THE FITCH WEBSITE.

Fiscal Year 2013-2014 Calendar of CWC Meetings and Activities

*CWC meets quarterly on the second Monday from 6:30 to 8:30 p.m.
at the Alameda CTC offices*

July 8, 2013 CWC Meeting

- Public Hearing on CWC Annual Report
- Address Public Comments
- Finalize Annual Report and Publications
- CWC Watch List for FY 2013-2014 (send letter to Jurisdictions reminding them of keeping CWC informed on projects/programs)

September 2013

- Email CWC members the FY2012-13 Year End Investment Report the same time it goes to the Finance and Administration Committee (FAC)

October 2013

- CWC Post-Audit Subcommittee Meeting

November 4, 2013 CWC Meeting

- FY2012-13 Comprehensive Audited Financial Report
- FY2012-13 Year End Investment Report
- FY2013-14 First Quarter Investment Report
- CWC Annual Report Outreach Summary and Publication Costs Update
- Update on Program Compliance Workshop
- Update on FY2012-13 Local Business Contract Equity and Contract Utilization Reports
- Quarterly Alameda CTC Commission Action Items

January 13, 2014 CWC Meeting

- Sponsor Compliance Audits and Reports – Forwarded to CWC without Staff Analysis
- Projects and Programs Overview/Update
- Project Sponsor Presentations – if requested
- Quarterly Alameda CTC Commission Action Items

February 2014

- Email to CWC members the FY2013-14 Second Quarter Investment Report the same time it goes to the FAC

March 10, 2014 CWC Meeting

- Summary of Sponsor Audits/Programs – Report Card to CWC
- Establish CWC Annual Report Subcommittee
- FY2013-14 Mid Year Budget Update
- FY2013-14 Second Quarter Investment Report
- Quarterly Alameda CTC Commission Action Items
- Project Sponsor Presentations – if requested

Note: Quarterly investment reports are sent via email to all CWC members as soon as they are available

Fiscal Year 2013-2014 Calendar of CWC Meetings and Activities

*CWC meets quarterly on the second Monday from 6:30 to 8:30 p.m.
at the Alameda CTC offices*

April 2014 CWC Annual Report Subcommittee Meeting

- Prepare Draft Annual Report

May 2014

- Email to CWC members the FY2013-14 Third Quarter Investment Report the same time it goes to the FAC

June 9, 2014 CWC Meeting

- Finalize Draft Annual Report
- Draft Compliance Summary and Audit Report
- Election of Officers
- Approval of Bylaws
- Approval of FY 2014-2015 Annual Calendar
- Final Strategic Plan
- FY2013-14 Final Budget Update
- Proposed Budget for FY2014-15
- FY2013-14 Third Quarter Investment Report
- Quarterly Alameda CTC Commission Action Items
- Project Sponsor Presentations – if requested

June 2014

- Draft Compliance Summary and Audit Report (link to report is emailed to members)
- CWC Pre-Audit Subcommittee Meeting

Note: A link to the Draft CWC Compliance Summary and Audit Report is sent via email as soon as the report is available

Alameda County Transportation Commission
Citizens Watchdog Committee
Roster - Fiscal Year 2013-2014

	Title	Last	First	City	Zip	Appointed By	Term Began	Re-apptmt.	Term Expires	Mtgs Missed Since July '13*
1	Mr.	Paxson, Chair	James	Pleasanton	94588	East Bay Economic Development Alliance	Apr-01		N/A	0
2	Ms.	Saunders, Vice-Chair	Harriette	Alameda	94501	Paratransit Advisory and Planning Committee	Jul-09		N/A	1
3	Ms.	Dorsey	Cynthia	Oakland	94610	Alameda County Mayors' Conference, D-5	Jan-14		Jan-16	0
4	Mr.	Dubinsky	Peter "Mike"	Fremont	94536	Alameda County Supervisor Richard Valle, D-2	Oct-10	Mar-13	Mar-15	0
5	Mr.	Geen	Arthur B.	Oakland	94610	Alameda County Taxpayers Association	Jan-01		N/A	3
6	Ms.	Hamlat	Sandra	Oakland	94610	East Bay Bicycle Coalition	Apr-13		N/A	0
7	Mr.	Hausseuer	James	Castro Valley	94546	Alameda County Supervisor Nate Miley, D-4	Feb-10	Sep-12	Sep-14	2
8	Mr.	Jones	Steven	Dublin	94568	Alameda County Mayors' Conference, D-1	Dec-12		Dec-14	0
9	Mr.	Klinke	William	Berkeley	94702	Alameda Labor Council AFL-CIO	Feb-13		N/A	1
10	Mr.	Lester	Brian	Pleasanton	94566	Alameda County Supervisor Scott Haggerty, D-1	Sep-13		Sep-15	1
11	Ms.	Lew	Jo Ann	Union City	94587	Alameda County Mayors' Conference, D-2	Oct-07	Sep-13	Sep-15	0
12	Ms.	Taylor	Deborah	Oakland	94619	Alameda County Supervisor Wilma Chan, D-3	Jan-13		Jan-15	0
13	Mr.	Zukas	Hale	Berkeley	94703	Alameda County Supervisor Keith Carson, D-5	Jun-09	Apr-12	Apr-14	1
14		Vacancy				Alameda County Mayors' Conference, D-3				
15		Vacancy				Alameda County Mayors' Conference, D-4				
16		Vacancy				League of Women Voters				
17		Vacancy				Sierra Club				

This page intentionally left blank

Alameda CTC Commission
Action Items Log
FY 2013-14

Commission Meeting Date	Item #	Item Description / Staff Recommendation	Ayes	Nays	Count
July 25, 2013	6.1	Approval of June 27, 2013 Minutes	27	0	27-0
	6.2	I-580 Corridor High Occupancy Vehicle Lane Projects (PN 724.4/724.5): Monthly Progress Report			
	6.3	I-580 Express (HOT) Lane Projects (PN 720.4/724.1): Monthly Progress Report			
	6.4	Request for Qualifications (RFQ) for On-Call Consultants for Countywide Travel Demand Model Maintenance and Modeling Work			
	6.5	Transportation Fund for Clean Air (TFCA) Final FY13-14 Program			
	6.6	I-580 Express (HOT) Lane Project (APN 720.4 and 724.1): Amend the Professional Services Contract with Electronic Transaction Consultants Corporation for Systems Integrator Services			
	9.1	Authorization to Proceed to Initiation a FY2013-14 Debt Issuance			
	9.2	Approval of the Alameda CTC Debt Policy			
	11.1	Route 84 Expressway Widening Project – South Segment (PN 624.2): Resolution #13-008			
September 26, 2013	6.1	Approval of July 25, 2013 Minutes	22	0	22-0
	6.2	I-580 Express Lane Projects Workshop: Concept of Operations Review			
	6.3	I-580 Corridor High Occupancy Vehicle Lane Projects (PN 720.5/724.4/724.5): Monthly Progress Report			
	6.4	I-580 Express (HOT) Lane Projects (PN 720.4/724.1): Monthly Progress Report			
	6.5	Congestion Management Program: Summary of the Alameda CTC's Review and Comments on Environmental Documents and General Plan Amendments			
	6.6	Community Advisory Committee Appointments			
	6.7	Authorization to Release a Request for Proposals for Development of a Countywide Transit Plan			
	6.8	Authorization to Release a Request for Proposals for Development of an Integrated Community Based Transportation Plan			

Alameda CTC Commission
Action Items Log
FY 2013-14

Commission Meeting Date	Item #	Item Description / Staff Recommendation	Ayes	Nays	Count
	6.9	Goods Movement Collaborative and Plan Update and Project Screening Criteria and List			
	6.10	ACEforward Program Notice of Preparation (NOP) for an Environmental Impact Report/Environmental Impact Statement (EIR/EIS)			
	6.11	Final Plan Bay Area Update			
	6.12	Metropolitan Transportation Commission (MTC) Freeway Performance Initiative/Ramp Metering Implementation in Alameda County			
	6.13	Transportation Fund for Clean Air (TFCA) Program Final FY13-14 Program			
	6.14	CMA TIP Exchange Program Policy			
	6.15	Fiscal Year 2012-13 Annual Measure B/VRF Program Compliance Workshop			
	6.16	I-580 Express Lane Project (RM2 Subproject 32.1f, APN 720.4/724.1): Approve the Initial Project Report for MTC Allocation of Regional Measure 2 Funds			
	6.17	I-580 Corridor Improvement Projects (Various): Amendments to the Existing Cooperative Agreements and A New Cooperative Agreement with Caltrans			
	6.18	I-880 Southbound High Occupancy Vehicle (HOV) Lane Project – Southern Segment (PN 730.1): Amendment to the Cooperative Agreement with Caltrans			
	6.19	Various Projects: Amendments to Professional Services, Project Funding and Grant Agreements for Time Extensions			
	6.20	I-880 Operational and Safety Improvements at 23rd and 29th Avenue Project (PN 717.0): Amendment No. 5 to the Professional Services Agreement with RBF Consulting (Agreement No. CMA A10-013)			
	6.21	Various Projects: Encumbrance Authorization for Construction Phase of Project			
	6.22	Broadway-Jackson Interchange Improvement Project (PN 610.0): Formation of an AdHoc Committee			

Alameda CTC Commission
Action Items Log
FY 2013-14

Commission Meeting Date	Item #	Item Description / Staff Recommendation	Ayes	Nays	Count
	6.23	Approval of Alameda CTC FY2012-13 Consolidated Year-End Investment Report			
	6.24	Alameda CTC Growing Responsibilities and Options to Fund Agency Core Functions Funding Shortfall			
	6.25	Approval of Revised Alameda CTC Staffing Plan and Salary Ranges			
	8.1	Transportation Expenditure Plan Update	24	0	24-0
	9.2	2014 State Transportation Improvement Program (STIP): Draft Regional Transportation Improvement Program (RTIP) and Interregional Transportation Improvement Program (ITIP) Candidates	24	0	24-0
October 24, 2013	6.1	Approval of September 26, 2013 Minutes	24	0	24-0
	6.2	I-580 Express Lane Projects Workshop: Concept of Operations Review			
	6.3	I-580 Corridor High Occupancy Vehicle Lane Projects (PN 720.5/724.4/724.5): Monthly Progress Report			
	6.4	I-580 Express Lane Projects (PN 720.4/724.1): Monthly Progress Report			
	6.5	Congestion Management Program: Summary of the Alameda CTC's Review and Comments on Environmental Documents and General Plan Amendments			
	6.7	Authorization for Alameda CTC Executive Director to Negotiate and Execute a Professional Services Contract for the Goods Movement Collaborative and Plan			
	6.8	Sustainable Communities Technical Assistance Program (SCTAP) List of Applications Received			
	6.9	2014 State Transportation Improvement Program (STIP): Final Measure B/Vehicle Registration Fee Compliance Reserve Policies			
	6.10	Central County Same Day Transportation Programs			
	6.11	Webster Street SMART Corridor Project (PN 740.0): Amendment No. 4 to the Professional Services Agreement CMA A10-010 with Harris & Associates Inc.			
	6.12				
	6.13	Guaranteed Ride Home Contract Extension and Augmentation			

Alameda CTC Commission
Action Items Log
FY 2013-14

Commission Meeting Date	Item #	Item Description / Staff Recommendation	Ayes	Nays	Count
	6.15	Various Projects: Amendments to Professional Services and Grant Agreements for Time Extensions			
	6.16	Alameda CTC Contracting and Procurement Policies			
	6.17	CalPERS Resolution to Allow Tax Deferred Deductions for Service Credit Purchases in the Pension Plan			
	6.14	Dumbarton Corridor Improvements Project (PN 625.0): Nomination of tri-city candidate projects for RM2 allocation, program remaining Measure B, and commit to re-direct the future STIP funds to Planning Area 3 projects			
	8.1	Approval of the Final 2013 CMP	24	0	24-0
	8.3	Transportation Expenditure Plan Steering Committee Update	24	0	24-0
	10.1	Declaration of Official Intent to Reimburse Certain Measure B Expenditures from Proceeds of Indebtedness	24	0	24-0
December 5, 2013	6.1	Approval of October 24, 2013 Minutes	26	0	26-0
	6.2	I-580 Express Lane Projects Workshop: Concept of Operations Review			
	6.3	I-580 Corridor High Occupancy Vehicle Lane Projects (PN 720.5/724.4/724.5): Monthly Progress Report			
	6.4	I-580 Express Lane Projects (PN 720.4/724.1): Monthly Progress Report			
	6.5	Congestion Management Program: Summary of the Alameda CTC's Review and Comments on Environmental Documents and General Plan Amendments			
	6.6	Draft 2014 Alameda CTC Legislative Program			
	6.7	Goods Movement Collaborative and Plan Update			
	6.8	Cap and Trade Principles and AB 32 Scoping Plan Update			
	6.9	2014 Level of Service Monitoring Request for Proposal			
	6.10	Safe Routes to Schools Annual Update			
	6.11	I-580 Express Lanes Project (PN 720.4/724.1) Outreach and Education Plan: Issuance of Request for Proposals for Public Outreach and Education Services			
	6.12	Report of Pavement Condition Of Bay Area Jurisdictions for 2012			
	6.13	Alameda CTC FY2013-14 First Quarter Investment Report			

Alameda CTC Commission
Action Items Log
FY 2013-14

Commission Meeting Date	Item #	Item Description / Staff Recommendation	Ayes	Nays	Count
	6.14	Alameda CTC FY2013-14 First Quarter Financial Report			
	6.15	Alameda CTC Contract Equity Annual Utilization Report for FY2012-13			
	6.16	Alameda CTC Staff Benefits for Calendar Year 2014 and Salaries for Fiscal Year 2014-2015			
	6.17	Advisory Committee Appointments			
	9.1	Revised State Transportation Improvement Program (STIP) Fund Estimate	26	0	26-0
	10.1	Alameda CTC Draft Audited Comprehensive Annual Financial Report and the ACTIA Limitations Worksheet for the Year Ended June 30, 2013	26	0	26-0
January 23, 2014	4	Election of Chair and Vice Chair	23	0	23-0
	7.1	December 5, 2013 Meeting Minutes	23	0	23-0
	7.2	I-580 Corridor High Occupancy Vehicle Lane Projects (PN 720.5/724.4/724.5): Monthly Progress Report			
	7.3	I-580 Express (HOT) Lane Projects (PN 720.4/724.1): Monthly Progress Report			
	7.4	Development of Express Lanes Planning and Implementation Principles			
	7.5	Congestion Management Program: Summary of the Alameda CTC's Review and Comments on Environmental Documents and General Plan Amendments			
	7.6	California Transportation Commission December 2013 Meeting Summary			
	7.7	Alameda CTC At Risk Monitoring Reports			
	7.8	Alameda County Freeway Soundwall Policy			
	7.9	Vehicle Registration Fee (VRF): Status of Technology Program			
	7.10	Vehicle Registration Fee (VRF): Local Transportation Technology Program Policy			
	7.11	Cap and Trade Program Update			

Alameda CTC Commission
Action Items Log
FY 2013-14

Commission Meeting Date	Item #	Item Description / Staff Recommendation	Ayes	Nays	Count
	7.12	Revised Implementation Guidelines For The Special Transportation For Seniors and People With Disabilities Program			
	7.13	Proposition 1B Transit System Safety, Security and Disaster Response Account (TSSSDRA) Funds			
	7.14	I-580 Eastbound HOV Lane - Segment 3 with Auxiliary Lanes Project (PN 720.5): Cooperative Agreement with Caltrans			
	7.15	State Route 84 Corridor Widening Projects: Agreements with the City of Livermore for Transfer of Tri-Valley Transportation Development Fee Funds			
		Route 84 Expressway Project - North and South Segments (PN 624.1 & 624.2) and Isabel Avenue - Route 84/I-580 Interchange (PN 623.0): Agreement with the City of Livermore for Utility Relocation along the Route 84 Expressway Project and an Amendment to the Project Specific Funding Agreement No. A07-0058 with the City of Livermore for the Isabel Avenue - Route 84/I-580 Interchange Project			
	7.17	Various Projects: Amendments to Professional Services and Project Specific Funding Agreements for Time Extensions			
	7.18	FY2014-15 Administration Support Professional Contracts Plan			
	7.19	Results of Solicitation of Ratings for Debt Issuance			
	7.20	Alameda CTC HRA Retiree Health Benefit for the 2014 Calendar Year			
	7.21	Alameda CTC General Fund Balance Reserve Policy			
	7.22	Alameda CTC 2014 Meeting Schedule			
	7.23	Community Advisory Committee Appointment			
	9.2	Transportation Expenditure Plan	23	0	23-0
	10.1	Debt Issuance for the 2000 Measure B Capital Program	23	0	23-0