



# Meeting Notice

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• [www.AlamedaCTC.org](http://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 Trish Spencer

## **City of Albany**

Vice Mayor Peter Maass

## **City of Berkeley**

Councilmember Laurie Capitelli

## **City of Dublin**

Mayor David Haubert

## **City of Emeryville**

Mayor Ruth Atkin

## **City of Fremont**

Mayor Bill Harrison

## **City of Hayward**

Mayor Barbara Halliday

## **City of Livermore**

Mayor John Marchand

## **City of Newark**

Councilmember Luis Freitas

## **City of Oakland**

Vice Mayor Larry Reid

## **City of Piedmont**

Mayor Margaret Fujioka

## **City of Pleasanton**

Mayor Jerry Thorne

## **City of San Leandro**

Mayor Pauline Cutter

## **City of Union City**

Mayor Carol Dutra-Vernaci

## **Executive Director**

Arthur L. Dao

## **Independent Watchdog Committee**

**Monday, July 13, 2015, 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](http://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](http://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](http://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](http://www.AlamedaCTC.org/events/month/now).

## Connect with Alameda CTC

[www.AlamedaCTC.org](http://www.AlamedaCTC.org)



[facebook.com/AlamedaCTC](https://facebook.com/AlamedaCTC)

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

[youtube.com/user/AlamedaCTC](https://youtube.com/user/AlamedaCTC)



# Independent Watchdog Committee Meeting Agenda Monday, July 13, 2015, 6:30 p.m.

1111 Broadway, Suite 800, Oakland, CA 94607

PH: (510) 208-7400

www.AlamedaCTC.org

**Chair:** TBD

**Vice Chair:** Deborah Taylor

**Staff Liaisons:** Patricia Reavey

**Public Meeting Coordinator:** Angie Ayers

6:30 – 6:35 p.m.  
Deborah Taylor

## 1. Welcome and Call to Order

6:35 – 6:38 p.m.  
Public

## 2. Public Comment

**Page** **A/I\***

6:38 – 6:53 p.m.  
Deborah Taylor

## 3. Presentation of CWC Annual Report

1

I

6:53 – 6:54 p.m.  
Deborah Taylor

## 4. Open Public Hearing

I

6:54 – 6:57 p.m.  
Public

## 5. Public Comment on Hearing of CWC Annual Report

I

6:57 – 6:58 p.m.  
Deborah Taylor

## 6. Close Public Hearing on CWC Annual Report

I

6:58 – 7:00 p.m.  
Deborah Taylor

## 7. Approval of CWC Annual Report

A

7:00 – 7:05 p.m.  
Deborah Taylor

## 8. CWC Meeting Minutes

### 8.1. Approval of June 8, 2015 CWC Meeting Minutes

9

A

7:05 – 8:00 p.m.  
IWC Members

## 9. Organizational Meeting

### 9.1. Discussion of IWC Purview

15

I

### 9.2. Discussion of IWC Bylaws

19

I

### 9.3. Approval of IWC Calendar for FY2015-16

33

A

8:00 – 8:10 p.m.  
Deborah Taylor

## 10. Approval of CWC Annual Report Publication Methods and Costs, and Press Release

### 10.1. Proposed Publication Costs and Distribution

35

A

### 10.2. Draft CWC Annual Report Press Release

39

A

8:10 – 8:15 p.m. Staff	<b>11. Staff Responses to CWC Requests for Information</b>		
	11.1. Independent Auditor Scope of Work for FY2014-2015	41	I
	11.2. 2014 Audit Subcommittee Meeting Minutes	49	I
	11.3. Comprehensive Annual Financial Report for the Year Ended June 30, 2014 <a href="http://www.alamedactc.org/files/managed/Document/15825/">http://www.alamedactc.org/files/managed/Document/15825/</a>		I
8:15 – 8:25 p.m. IWC Members	<b>12. IWC Member Reports/Issues Identification</b>		
	12.1. Ad Hoc Committee Formation (Verbal)		A/I
	12.2. Letter to Member of the Public	61	I
	12.3. IWC Issues Identification Process and Form	63	A/I
	12.4. Issues Discussion (Verbal)		I
8:25 – 8:30 p.m. Staff	<b>13. Staff Reports/Board Actions (Verbal)</b>		
	13.1. Projects and Programs Watchlist Next Steps – Sample Letter to Agencies	67	I
	13.2. IWC Roster	69	I
8:30 p.m. Deborah Taylor	<b>14. Adjournment</b>		

**Next meeting:** November 9, 2015

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

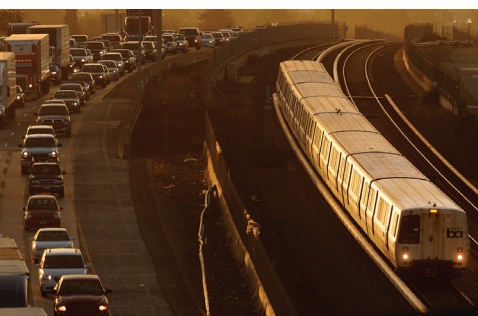




August 2015



# 13th Annual **CITIZENS WATCHDOG COMMITTEE** Report to the Public



## Measure B Sales Tax Activities

IN NOVEMBER 2000, ALAMEDA COUNTY VOTERS APPROVED MEASURE B, which extended the County's half-cent transportation sales tax to 2022 and set forth a 20-year Expenditure Plan. Measure B also established a Citizens Watchdog Committee (CWC) to represent the different perspectives of taxpayers throughout the County and to review all Measure B expenditures on projects, programs and administration for compliance with the Expenditure Plan.

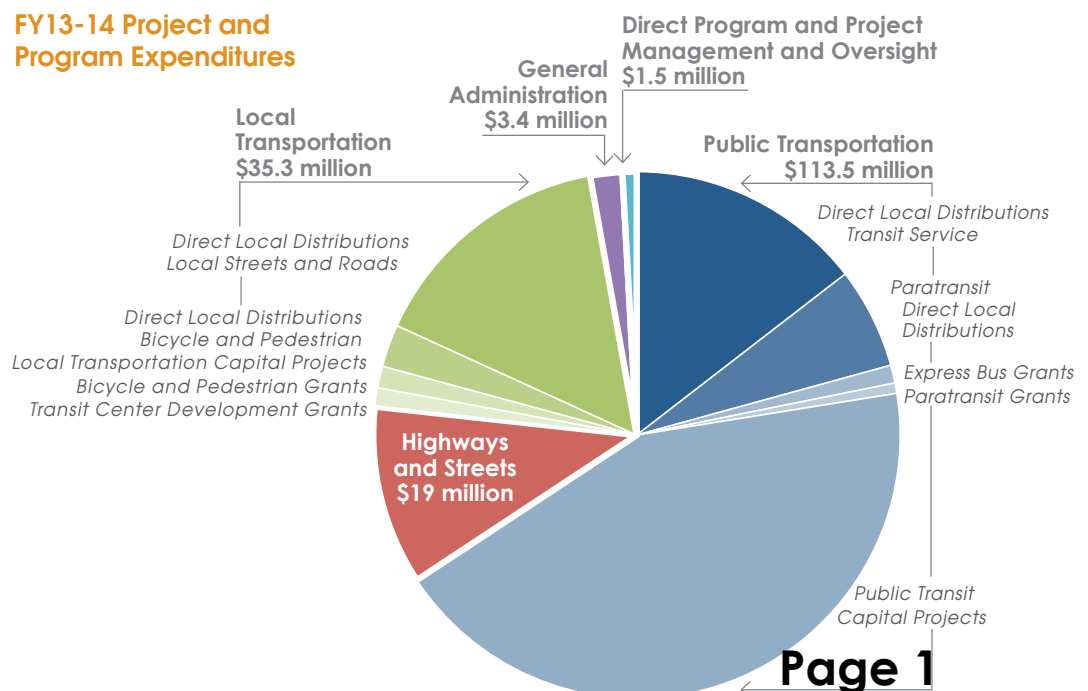
The CWC reports its findings annually to the public to ensure appropriate use of sales tax funds. During this reporting period, CWC members performed a number of activities. This 13th annual report covers expenditures during the fiscal year ended June 30, 2014 (FY2013-14) and CWC activities through June 2015. Alameda CTC received an unmodified or clean independent audit opinion for FY2013-14, and the CWC accepted the auditor's opinion.

## Summary of Expenditures

THE ALAMEDA COUNTY TRANSPORTATION COMMISSION (ALAMEDA CTC) IS RESPONSIBLE for administering the Measure B half-cent transportation sales tax measure.

In FY2013-14, Measure B revenues totaled \$127.1 million, and audited expenditures totaled \$172.7 million for different transportation modes, oversight and administration.

### FY13-14 Project and Program Expenditures



## INSIDE

- Financials At-a-Glance . . . . 2
- Citizens Watchdog Committee Activities. . . . . 3
- Alameda CTC Programs and Projects . . . . 5

# Financials At-a-Glance

## ALAMEDA CTC AUDITED

**EXPENDITURES INCLUDE** general administration, direct program and project management and oversight expenses, Measure B discretionary grant fund expenditures, project expenditures and payments to jurisdictions. This funds four main programs: local streets and roads, mass transit, paratransit and bicycle and pedestrian safety. In FY2013-14, audited Measure B expenditures on programs, projects and administration totaled \$172.7 million. Program compliance reports submitted by Measure B fund recipients reported \$63.9 million in expenditures, which includes expenditures of Measure B fund balances from previous years.

For Measure B-related projects and programs, Alameda CTC expended \$96.0 million on capital projects, \$66.8 million on direct local distributions, \$5 million on grants, \$3.4 million on general administration and \$1.5 million on direct program and project management and oversight.<sup>2</sup> The 2000 Measure B Expenditure Plan specifies the use of approximately 60 percent of Measure B revenues to fund programs and 40 percent to fund projects. The net revenues allocated approximately 60 percent to programs and approximately 40 percent to projects in the Expenditure Plan are used over the life of the Measure B program to ultimately achieve the split indicated in the Expenditure Plan.

## Alameda CTC FY2013-14 Audited Expenditures<sup>1</sup>

(\$ in millions rounded)<sup>2</sup>

Public Transportation	\$113.5
Direct Local Distributions - Transit Service	\$25.1
Direct Local Distributions - Paratransit	10.7
Paratransit Grants	1.1
Express Bus Service Grants	1.9
Public Transit Capital Projects	74.7
Highways and Streets Capital Projects	19
Local Transportation	35.3
Direct Local Distributions - Local Streets and Roads	26.5
Direct Local Distributions - Bicycle and Pedestrian	4.5
Bicycle and Pedestrian Grants	1.9
Transit Oriented Development Grants	0.1
Local Transportation Capital Projects	2.3
General Administration	3.4
Direct Program and Project Management and Oversight	1.5
<b>Total:</b>	<b>\$172.7</b>

Notes:

<sup>1</sup> In accordance with the 2000 Measure B Expenditure Plan, Alameda CTC allocates funds for specific capital projects and grants (paid on a reimbursement basis), and distributes sales tax revenue on a monthly, formulaic basis to the cities, the County and transit operators.

<sup>2</sup> Expenditure amounts may vary by category due to rounding.

## FY2013-14 Measure B Direct Local Distribution Totals for All Programs<sup>1</sup>

Agency/Jurisdiction	Beginning Balance <sup>2</sup>	Distributions	Expended	Ending Balance
ACE	\$2,478,936	\$2,508,854	\$2,824,169	\$2,168,442
ACPWA	\$749,251	\$2,940,831	\$1,443,996	\$2,256,162
AC Transit	\$0	\$25,360,728	\$22,296,461	\$3,064,267
BART	\$0	\$1,763,298	\$1,763,298	\$0
City of Alameda	\$3,008,030	\$2,017,093	\$2,298,204	\$2,755,714
City of Albany	\$428,577	\$467,919	\$768,464	\$129,178
City of Berkeley	\$1,548,672	\$3,342,735	\$2,330,062	\$2,562,623
City of Dublin	\$904,164	\$520,539	\$559,739	\$869,099
City of Emeryville	\$153,022	\$301,474	\$39,170	\$416,800
City of Fremont	\$4,194,004	\$3,561,826	\$4,490,636	\$3,284,761
City of Hayward	\$2,170,957	\$3,292,248	\$3,431,698	\$2,040,253
City of Livermore	\$1,879,663	\$1,188,417	\$1,157,631	\$1,930,332
City of Newark	\$244,705	\$717,001	\$487,502	\$475,201
City of Oakland	\$12,016,585	\$11,930,940	\$12,539,565	\$11,447,976
City of Piedmont	\$555,948	\$425,931	\$589,535	\$393,761
City of Pleasanton	\$2,289,901	\$1,031,710	\$1,666,789	\$1,686,098
City of San Leandro	\$3,472,226	\$1,835,523	\$1,899,673	\$3,420,388
City of Union City	\$1,201,273	\$1,562,322	\$1,633,452	\$1,142,339
LAVTA	\$0	\$969,687	\$969,687	\$0
WETA	\$3,183,231	\$923,069	\$661,891	\$3,446,424
<b>Total<sup>3</sup></b>	<b>\$40,479,144</b>	<b>\$66,662,145</b>	<b>\$63,851,622</b>	<b>\$43,489,819</b>

Notes:

<sup>1</sup> The reported expenditures may include Measure B grant funds, fund balances and reserves from prior years, resulting in higher reported expenditures than receipts.

<sup>2</sup> The Beginning Balance may vary from the prior year due to fund balance restatements in FY2013-14 to include only Measure B direct local distribution funds.

<sup>3</sup> Revenue and expenditure amounts may vary due to rounding.



# Citizens Watchdog Committee Activities

## THE CITIZENS WATCHDOG

**COMMITTEE (CWC)** has undertaken the following activities from July 1, 2013, through June 30, 2015.

- **Ongoing Programs and Capital Projects Watch:** The CWC continued to watch specific programs and capital projects and to monitor any issues of concern.
- **Ongoing Budget Update:** The CWC received and reviewed the annual budget and mid-year budget updates.
- **Audit and Compliance Report Review (January 2014, January 2015):** The CWC performed its review of Measure B direct distribution recipients' audited financial statements and compliance reports, and requested additional information to help clarify agency expenditures. The CWC monitored compliance with detailed funding plans and implementation schedules required by compliance policies in the Master Programs Funding Agreements including timely use of funds. All CWC concerns were satisfactorily addressed.
- **Compliance Report Ad Hoc Subcommittee (October 2014):** The CWC met to review the new compliance report forms that include funding tables to facilitate CWC review. The CWC requested ongoing participation in the development of the review process.
- **Independent Audits:** In November 2013 and November 2014, the CWC received presentations from

independent auditors on the audited Comprehensive Annual Financial Reports for the year ended June 30, 2013, and for the year ended June 30, 2014, respectively on Measure B revenues and expenditures. The independent auditors did not identify any concerns. The auditors also reviewed Alameda CTC's issuance of \$137.1 million of Sales Tax Revenue Bonds, which were issued in March 2014, and the compliance requirements involved with this issuance.

- **Audit Review Process:** In March 2014, the CWC created an audit subcommittee to provide input to the independent auditor on items of interest to the CWC. The independent auditors met with the audit subcommittee before the FY2013-14 financial audit, which resulted in additional testing performed by the auditors on compliance report evaluations and the timely use of funds policy for local agencies. The auditors reported back to the CWC to address the results of the additional testing. The auditors did not identify any material concerns. The cities of Alameda, Dublin and Emeryville did not meet the timely use of funds policy. These agencies requested approval of extensions in June 2015.
- **Annual Report to the Public (2014):** In January 2014, the CWC

established a subcommittee to discuss outreach objectives for the annual report. In March 2014, CWC members established a subcommittee to develop its annual report to the public. The CWC Annual Report Subcommittee met in April and May of 2014 and recommended adding new outreach activities in 2014, which included exploring cost-effective strategies to expand the outreach. At the July meeting, the CWC held a public hearing to receive comments on the report.

Public outreach for the 12th Annual Report included a press release, online ads that link to the web-based report, print advertisements in Bay Area publications, additional advertisements on-board Alameda-Contra Costa Transit District (AC Transit) buses, reference to the report in the Alameda CTC e-newsletter and e-mail and print mailings.

Additional outreach included use of Alameda CTC's Twitter feed and Facebook page, distribution of the report at outreach events, translation of the advertisements and the report into Chinese and Spanish, and outreach to Asian and Hispanic community organizations.

In addition, many CWC members visited their City Councils and other venues to discuss, distribute and promote the report. Members contacted local jurisdictions that benefit from Measure B funding and encouraged them to post the report on their web pages.

• **Responses to CWC and Public Requests for Information:** The CWC received updates on:

- Alameda CTC's plan to issue limited tax bonds secured by a pledge of sales tax revenues to finance capital expenditures in the Expenditure Plan and Alameda CTC's adopted debt policy to establish guidelines for the issuance and management of debt and compliance with applicable post-issuance requirements of federal income tax law to preserve the tax-exempt status of the bonds.
- The general fund balance reserve policy that Alameda CTC adopted to mitigate risk, ensure sufficient liquidity in all funds and maintain credit worthiness.
- Alameda CTC's process for review of project invoices to ensure compliance with Master Project Funding Agreements and Project Specific Funding Agreements before authorizing payment.
- CWC Annual Report outreach efforts including outreach data as well as cost estimates for ad placements on AC Transit and BART, and other publicly visible locations.
- The 2014 Transportation Expenditure Plan including approvals of the plan from the Board of Supervisors and all City Councils.
- Alameda CTC's capital projects expenditures with emphasis on the Dumbarton Corridor Area Transportation Improvements, San Francisco Bay Area Rapid Transit District (BART) Oakland Airport Connector, which opened in fall 2014, BART to Warm Springs Extension and BART state of good repair.
- Use of Measure B funds in the development of Measure BB and the related 2014 Transportation Expenditure Plan.
- The Independent Watchdog Committee (IWC) required by Measure BB in the 2014 Transportation Expenditure Plan has the same composition as the CWC required by Measure B. The IWC will report directly to the public and is charged with reviewing all Measure B and Measure BB expenditures and Measure BB performance measures. The IWC will meet for the first time in July 2015.
- The Measure B grant programs' funding and funding allocation process.
- The local streets and roads funding formula, its derivation and application in Measure B and Measure BB.
- The goals reached for the Alameda CTC Local Business

Contract Equity Program. In FY2013-14, Alameda CTC exceeded its 70 percent Local Business Enterprises (LBEs) and its 30 percent Small Local Business Enterprise goals for professional and administrative services. Total payments to LBEs equaled an estimated \$3.8 million (79 percent) for active contracts.



**New Name: Independent Watchdog Committee**

The Citizens Watchdog Committee (CWC) required by Measure B is undergoing a name change to the Independent Watchdog Committee (IWC). The 2014 Transportation Expenditure Plan funded by Measure BB, which voters approved in November 2014, required development of the IWC.

The Independent Watchdog Committee, a continuation of the CWC by the Commission, reports directly to the public and provides oversight by reviewing all Measure B expenditures and Measure BB expenditures and performance measures of the agency. IWC members are Alameda County residents who are not elected officials at any level of government, nor individuals in a position to benefit personally in any way from the sales tax.

Watch for the new name on the Alameda CTC website and in future IWC annual reports.



# Alameda CTC Programs

**ALAMEDA CTC ALLOCATES APPROXIMATELY 60 PERCENT OF MEASURE B FUNDS**, net of administrative funding, on a monthly, formula basis (direct local distributions) and through competitive grants paid on a reimbursement basis to Alameda County, cities and transit agencies. In FY2013-14, Alameda CTC expended \$71.8 million in Measure B funds on programs.<sup>1</sup>

## Local streets and roads:

All cities and the county receive allocations for local transportation improvements, including street maintenance and repair. Jurisdictions use these flexible Measure B funds to meet their locally determined transportation priorities.

- Payments to jurisdictions: \$26.5 million
- Grants: \$0
- **Total: \$26.5 million**

## Mass transit:

Transit operators for systems including Altamont Commuter Express, AC Transit, Union City Transit, San Francisco Bay Area Water Emergency Transportation Authority and Wheels receive allocations for operations.

- Payments to local transit operators: \$25.1 million
- Grants: \$1.1 million for Countywide Express Bus Service Grants
- **Total: \$26.2 million**

## Special transportation for seniors and people with disabilities (paratransit):

Cities and transit operators receive funds to support their ongoing transportation programs for seniors and people with disabilities.

- Payments to local jurisdictions: \$10.7 million
- Grants: \$1.9 million for Paratransit Gap Grants and stabilization funds
- **Total: \$12.6 million**

## Bicycle and pedestrian safety funds:

All cities and the County receive these funds for bicycle and pedestrian plans, programs and capital projects.

- Payments to local jurisdictions: \$4.5 million
- Grants: \$1.9 million for Countywide Discretionary Fund Grants
- **Total: \$6.4 million**

## Transit oriented development:

A small portion of Measure B revenues are awarded through the Transit Oriented Development Grant Program and leverage other funds by becoming a local match for grants and studies.

- Grants: \$0.1 million
- **Total: \$0.1 million**

### Notes:

<sup>1</sup> The 2000 Measure B Expenditure Plan includes the following program allocations: local streets and roads (22.34%), mass transit (21.92%), special transportation for seniors and people with disabilities (10.45%), bicycle and pedestrian safety (5%) and transit center development (0.19%). See the FY13-14 Program Compliance Report for data on expenditures by Measure B fund recipients ([http://www.alamedactc.org/files/managed/Document/14087/FY13-14\\_MB\\_Compliance\\_Summary\\_Report\\_FINAL\\_20140630.pdf](http://www.alamedactc.org/files/managed/Document/14087/FY13-14_MB_Compliance_Summary_Report_FINAL_20140630.pdf)).



Measure B funds infrastructure improvements on local roadways such as road repair, resurfacing, curb cuts and signal operations. For example, the City of Albany rehabilitated 2,800 square feet of pavement, repaired 485 potholes and restriped bicycle lanes and sharrows in FY2013-14.



Local paratransit programs provide convenient transportation options and community services to seniors and people with disabilities. AC Transit and BART provide Americans with Disabilities Act-mandated paratransit service via East Bay Paratransit shuttles.



The Bike-Go-Round Bicycle Education/Safety Program, funded by a Countywide Discretionary Fund Grant, began in July 2013 and increases travel safety and access for bicyclists. In a six-month period, the project sponsor Cycles of Change aimed to train 40 participants and provide bicycle repair services to 375 low-income bicycle commuters.

# Alameda CTC Projects



Completed in 2012, the Union City Intermodal Station phase I project provided better BART Station access from the west side, reconfigured parking facilities, improved bus facilities and enhanced pedestrian circulation. This growing transit-oriented community has family apartments, retail stores and a children's playground.



In 2015, construction began on phase I of the City of Hayward's Route 92/Clawiter-Whitesell Interchange and Reliever Route project, which includes travel and bicycle lanes in each direction, a landscaped median with a two-way left-turn lane and new curb, gutter, sidewalk, storm drain and lighting improvements.

Funded by Measure B, the City of Dublin's Iron Horse Transit Route will accommodate buses by widening Dougherty Road from four to six lanes; Class II bike lanes will accommodate bicyclists. Final design, right-of-way and utility relocation activities are underway.

**ALAMEDA CTC ALLOCATES APPROXIMATELY 40 PERCENT OF MEASURE B FUNDS** to capital projects, net of administrative funding. In FY2013-14, Alameda CTC expended \$96.0 million on capital projects for transportation infrastructure improvements, such as BART rail extensions, highway and transit improvements, local street and road enhancements, intermodal projects and other local projects.

In addition to the 26 voter-approved capital projects, Alameda CTC added the following projects approved by the Commission pursuant to the Expenditure Plan: the Vasco Road Safety Improvement Project from the Measure B Congestion Relief Emergency Fund in 2003, the I-80 Integrated Corridor Management Project in 2008, the I-880/23rd and 29th Avenues Interchanges and the Countywide Transportation Plan/Transportation Expenditure Plan in 2010, and the Studies for Congested Segments/Locations on the CMP Network in 2011.

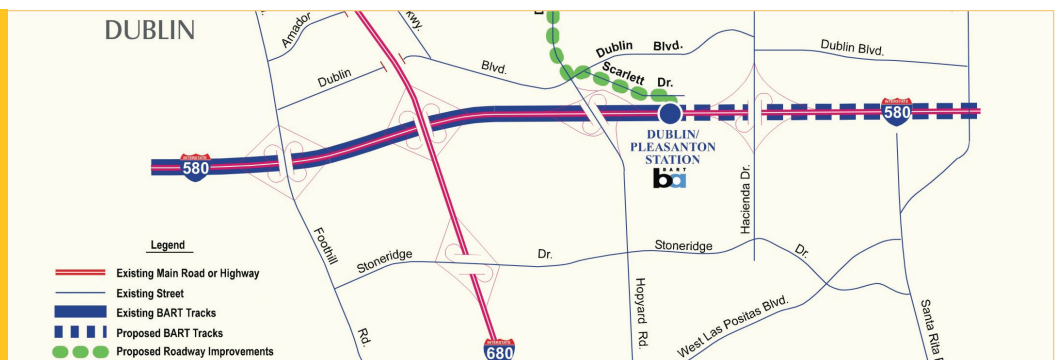
Some of the projects in the 2000

Measure B Expenditure Plan are funded for specific phases. The local sales tax dollars allow the initial project development phases to move forward, while project sponsors secure other funding sources to complete construction. This allows Alameda CTC and local jurisdictions to efficiently and expeditiously deliver projects. By 2012, the midpoint of the current transportation sales tax measure, Alameda CTC had delivered 95 percent of all capital project investments.

The chart on the next page shows the project phases, schedule, funding commitments and total project costs for the capital projects.

Notes for chart on page 7:

- <sup>1</sup> The Current Phase is based on a status date effective March 31, 2015. The Project Closeout phase indicates construction is complete, and the project financial closeout is underway.
- <sup>2</sup> Project Planning Areas include C = Central County, E = East County, N = North County, S = South County.
- <sup>3</sup> Construction schedules shown are subject to change based on project delivery activities. Begin Construction date shown is typically the expected contract award date. End Construction date for BART capital projects is the point at which transit/revenue service will begin.
- <sup>4</sup> The funding amounts shown are subject to change based on programming and allocation activities by the applicable governing agency.



## Project Status as of March 2015

Current Phase <sup>1</sup>	2000 MB Project No. and Project Name		County Area <sup>2</sup>	Construction Schedule <sup>3</sup>		Project Funding Sources <sup>4</sup> (\$ X million)						Total Cost/ Funding	FY13-14 Expenditures
				Begin	End	2000 MB	Federal	State	Regional	Local	Other		
Complete	05	Fruitvale Transit Village	N	Oct 2002	Mar 2004	4.4	0.0	7.7	0.0	1.4	0.0	13.5	0.0
Complete	17	Hesperian/Lewelling Blvd Intersection Improvements	C	Oct 2003	Oct 2012	0.7	0.0	0.0	0.0	0.1	0.0	0.8	0.0
Complete	21	I-238 Widening	C	Sep 2006	Oct 2009	81.0	18.3	29.2	0.0	3.3	0.0	131.8	0.0
Complete	11	I-880/Washington Avenue Interchange Improvement	C	Apr 2009	May 2010	1.3	0.5	0.0	0.0	1.4	0.0	3.2	0.0
Complete	20	Newark Local Streets Rehabilitation	S	Jun 2003	Feb 2006	1.4	0.0	0.0	0.0	4.1	0.0	5.5	0.0
Complete	16	Oakland Local Streets Rehabilitation	N	Jul 2004	Dec 2006	5.3	0.0	0.0	0.0	0.0	0.0	5.3	0.0
Complete	06	Union City Intermodal Station	S	Jun 2007	Mar 2012	12.6	20.4	7.7	0.0	6.3	0.0	47.0	0.0
Complete / Construction	27	Emerging Projects (Congestion Relief Emergency Fund)	N/E	Various	Various	11.0	18.0	242.7	11.2	29.5	0.0	312.4	0.8
Complete / Construction	14	I-580 Auxillary Lanes	E	Various	Various	14.5	6.4	115.8	14.5	1.0	0.1	152.3	0.6
Complete / Construction	18	Westgate Parkway Extension	C	Various	Various	7.9	0.0	0.0	0.0	0.0	0.0	7.9	0.1
Complete / Construction	07	San Pablo/Telegraph Avenue Corridor Transit Improvements	N	Various	Various	24.5	84.2	13.7	65.7	0.3	5.0	193.3	2.7
Complete / Environmental	08	I-680 Sunol Express Lanes Improvements	S/E	Various	Various	35.2	5.4	8.0	0.0	8.0	0.0	56.6	-0.9
Project Closeout	12	I-580/Castro Valley Interchanges Improvements	C	Jun 2008	Jun 2011	11.5	1.9	4.8	0.0	15.0	0.0	33.2	0.0
Project Closeout	23	Isabel Avenue - Route 84/I-580 Interchange	E	Jan 2009	Mar 2012	25.1	11.3	44.4	0.0	32.4	0.0	113.2	0.7
Project Closeout	13	Lewelling/East Lewelling Blvd Widening	C	Jul 2009	Oct 2012	13.6	0.0	4.3	0.0	13.8	0.1	31.8	1.4
Project Closeout	03	BART Oakland Airport Connector	N	Sep 2010	Nov 2014	89.1	130.7	78.9	146.2	39.3	0.0	484.2	23.9
Plant Est/ Construction	24	Route 84 Expressway	E	Various	Various	96.5	0.0	16.1	0.0	10.0	3.5	126.1	10.6
Construction	01	Altamont Commuter Express Rail	S/E	Various	Various	13.2	123.1	155.3	0.0	182.6	0.0	474.2	3.4
Construction	02	BART Warm Springs Extension	S	Sep 2009	Dec 2015	224.4	0.0	295.4	321.0	49.2	0.0	890.0	41.8
Construction	04	Downtown Oakland Streetscape Improvement	N	Sep 2007	Mar 2016	6.4	0.0	0.4	0.0	2.4	0.3	9.5	0.0
Construction	15	Route 92/Clawiter - Whitesell Interchange and Reliever Route	C	Mar 2015	Oct 2016	27.0	0.0	0.0	0.0	0.7	0.0	27.7	7.6
Design	19	East 14th St/Hesperian Blvd/150th St Intersection Improvement	C	Jan 2016	Sep 2017	3.2	0.0	0.0	0.0	2.8	0.0	6.0	0.0
Design	09	Iron Horse Transit Route	E	Jan 2016	Jun 2017	6.3	0.0	0.0	0.0	2.1	0.0	8.4	0.0
Environmental	25	Dumbarton Corridor Improvements	S	Various	Various	19.4	0.0	0.0	0.0	0.6	0.0	20.0	0.0
Environmental / ROW	26	I-580 Corridor/BART to Livermore Studies	E	Various	Various	41.8	0.2	30.9	125.5	1.8	6.9	207.1	2.3
Environmental	10	I-880/Broadway-Jackson Interchange Improvements (Study Only)	N	N/A	N/A	8.1	0.0	0.0	0.0	2.5	0.0	10.6	0.0
Scoping	22	I-680/I-880 Cross Connector Studies (Study Only)	S	N/A	N/A	1.2	0.0	1.0	0.0	0.3	0.0	2.5	0.0

Project Totals: \$786.6 \$420.3 \$1,056.3 \$684.1 \$410.9 \$15.9 \$3,374.1 \$95.0

See footnotes on page 6.

### NEW PHOTO OF CWC MEMBERS SHOWING THEM MEETING.

"Each year, the Citizens Watchdog Committee carefully reviews and analyzes Alameda CTC's Measure B expenditures to help ensure that funds are spent in accordance with the measure passed by Alameda County voters. This process is an important part of seeing that the vibrant and livable Alameda County the voters envisioned with the passage of Measure B comes to pass.

"The CWC is pleased to report that, for the 13th year in a row, Alameda CTC received a clean, unmodified opinion from the agency's independent auditors. These results provide Alameda County residents and businesses with a strong assurance that the Measure B transportation sales tax continues to deliver on its promise."

— James Paxson, CWC Chair

#### Questions or Comments?

Email the CWC at [contact@alamedactc.org](mailto:contact@alamedactc.org) or sign up to receive e-mail notifications and our bimonthly newsletter at [www.AlamedaCTC.org](http://www.AlamedaCTC.org).



#### Follow us on:

[www.facebook.com/AlamedaCTC](http://www.facebook.com/AlamedaCTC)  
<http://twitter.com/AlamedaCTC>  
[www.youtube.com/user/AlamedaCTC](http://www.youtube.com/user/AlamedaCTC)



1111 Broadway  
 Suite 800  
 Oakland, CA 94607  
 510.208.7400  
[AlamedaCTC.org](http://AlamedaCTC.org)

## CWC Members

### Name

### Appointer

James Paxson, Chair	East Bay Economic Development Alliance
Deborah Taylor, Vice Chair	Supervisor Wilma Chan, District 3
Petra Brady*	Alameda County Mayors' Conference, District 4
Cheryl Brown	Alameda Labor Council AFL-CIO
Cynthia Dorsey	Alameda County Mayors' Conference, District 5
Peter Michael Dubinsky*	Supervisor Richard Valle, District 2
Sandra Hamlat	Bike East Bay
Herb Hastings	Paratransit Advisory and Planning Committee
James Haussener*	Supervisor Nate Miley, District 4
Miriam Hawley	League of Women Voters
Steven Jones	Alameda County Mayors' Conference, District 1
William Klink*	Alameda Labor Council AFL-CIO
Brian Lester	Supervisor Scott Haggerty, District 1
Jo Ann Lew	Alameda County Mayors' Conference, District 2
Murphy McCalley	Supervisor Nate Miley, District 4
Glenn Naté	Supervisor Richard Valle, District 2
Patrishia "Pat" Piras	Sierra Club
Harriette Saunders	Alameda County Mayors' Conference, District 3
Robert A. Tucknott	Alameda County Mayors' Conference, District 4
Hale Zukas	Supervisor Keith Carson, District 5
Vacancy	Alameda County Taxpayers Association

\*Members resigned or their terms ended within this reporting period.

### How to Get Involved

Alameda CTC and the Citizens Watchdog Committee invite your participation to plan, fund and deliver transportation projects and programs that enhance mobility throughout Alameda County. Join one of Alameda CTC's community advisory committees — in addition to the CWC, the public serves on the Bicycle and Pedestrian Advisory Committee and the Paratransit Advisory and Planning Committee — or feel free to participate in and attend public meetings. Visit [www.AlamedaCTC.org](http://www.AlamedaCTC.org) to learn more about opportunities to get involved.

### Further Information

The complete 2000 Measure B Expenditure Plan, this report, agency compliance audits and reports and Comprehensive Annual Financial Reports are available at [www.AlamedaCTC.org](http://www.AlamedaCTC.org). Copies of these publications are also available at the Alameda CTC offices at 1111 Broadway, Suite 800, Oakland, CA 94607; you can reach Alameda CTC at 510.208.7400. Contact your local jurisdiction for information on Measure B-funded projects and programs; visit [http://www.alamedactc.org/app\\_pages/view/8072](http://www.alamedactc.org/app_pages/view/8072) or your jurisdiction's website.





# Citizens Watchdog Committee Meeting Minutes Monday, June 8, 2015, 6:30 p.m.

3.1

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

## 1. Welcome and Call to Order

CWC Chair James Paxson 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: Cynthia Dorsey, Brian Lester, and Robert Tucknott. James welcomed new member Cheryl Brown.

## 2. Public Comment

There were no public comments.

## 3. CWC Meeting Minutes

### 3.1. Approval of March 9, 2015 CWC Meeting Minutes

The committee requested that staff listen to the recording from the March 2015 meeting to confirm the first bullet in the March 9, 2015 CWC Meeting Minutes under agenda item 4 regarding the fund balance. James Paxson requested staff update the minutes if necessary.

*Herb Hastings moved to approve the minutes with the requested update if necessary. Steve Jones seconded the motion. The motion passed with four abstentions, Cheryl Brown, Miriam Hawley, Deborah Taylor, and Hale Zukas (Cynthia Dorsey, Brian Lester, and Robert Tucknott were absent).*

## 4. Alameda CTC's Independent Auditor to Discuss FY2014-15 Audit

Ahmad Gharaibeh with Vavrinek, Trine, Day & Co., LLP (VTD) informed the committee that he is leading the Alameda CTC independent audit, and he described how VTD is performing the audit in two phases: 1) an interim phase, which allows VTD to understand Alameda CTC's internal controls and place an emphasis on procurement, payroll review, and cash receipts; 2) a final phase that allows VTD to ensure the financial statements are fairly stated, which is the overall objective of the audit.

VTD will confirm the balances with third parties and will do a set of audit procedures to ensure the financial statements are fairly stated. At the end of the audit, VTD will issue an opinion on the financial statements. Additional opinions are also included for compliance with laws and regulation and federal granting requirements. He noted that if Alameda CTC receives certain state grants, an opinion will be included. Ahmad stated that this year, VTD will provide financial statements, limitations worksheets for both Measure B and Measure BB and opinions.

Questions/feedback from members:

- A request was made for Ahmad to discuss his review of last year's audit of the Master Programs Funding Agreements (MPFAs) and if VTD will do further examinations regarding MPFAs. Ahmad stated that the CWC requested that the auditors perform tests to look at the cities and agencies that receive Measure B

funds to determine if they were compliant with the carry-over requirements. VTD said the majority of agencies were in compliance. Four agencies (City of Alameda, City of Dublin, City of Emeryville, and San Francisco Bay Area Water Emergency Transportation Authority) requested an extension from the Commission. Ahmad informed the committee that Alameda CTC and the Commission needed to approve additional items not in the audit scope of work.

- When will the final audit report be available? Patricia Reavey said that the audit will be complete in late August or early September. The Comprehensive Annual Financial Report (CAFR) will go to the Finance and Administration Committee (FAC) in November for review.
- Who completes the compliance reports? James Paxson said that staff takes in the information from individual agencies that receive the funds and compiles it.
- Does the Alameda CTC internal auditor review if the compliance reports are compliant to the MPFAs? Ahmad stated that the jurisdictions and agencies have their independent auditors and provide Alameda CTC with the audit results. Staff said that the compliance report is an internal tool created by staff to track the agencies' compliance with the MPFA's requirements. The CWC use the compliance report to review the recipients' expenditures. Staff said that each recipient is required to have an independent audit performed.

## **5. Discussion of CWC Audit Review**

### ***Audit Subcommittee Discussion***

James Paxson informed the committee that normally the CWC creates an Audit Subcommittee to discuss and express its concerns to the auditor prior to the audit. He told the committee that normally the Audit Subcommittee would have a Pre- and Post-Audit Subcommittee meeting without staff being present.

Art Dao stated that the CWC process has evolved over time without input from staff. He informed the committee that the auditor meets with the Commission's Audit Committee to engage in required communications related to fraud. The CWC's function is to review expenditures after the fact. He stated that the CWC can let the auditor know its concerns; however, the committee cannot tell the auditor what to audit. Art also stated that the CWC as a whole should be involved, not a smaller committee, such as an Audit Subcommittee. He stated that the CWC is the right venue to express members' concerns to the auditor, and the auditor may choose to develop an audit plan that tests concerns the CWC expressed.

Neal Parish, with Wendel Rosen Black & Dean LLP, stated that from a legal point of view, to fulfill the intent of the Expenditure Plan, the CWC should meet as a whole with the auditor. The 2000 and 2014 Expenditure Plans clearly state that a balanced committee is needed to represent Alameda County in its entirety. Neal also said that it's not appropriate for CWC members to ask staff to leave the room when meeting with the auditor.

The committee discussed several options and ideas associated with meetings with the auditor and how to convey auditing concerns to the auditor.

The CWC requested staff provide the following documents to the committee:

- Audit Scope of Work
- Audit Subcommittee 2014 Meeting Minutes
- Fiscal Year 2013-14 CAFR

Staff noted that the auditor will come twice to the full committee: Once pre-audit where members can express concerns, and then post-audit to report audit outcomes. James Paxson requested the committee members bring their concerns to the July meeting. He also stated that the CWC will forgo the Audit Subcommittee and bring any auditing concerns to the July meeting.

Public comment: Ken Bukowski stated that today, June 8, 2015, the auditor had a closed meeting with the FAC, and he inquired if it was a public meeting. Staff informed the committee that the auditor met with the Commission's Audit Subcommittee in a closed meeting, and it was not a public meeting. Patricia Reavey said as part of the audit, the auditor is required to meet with the Commission's Audit Subcommittee.

### **Bylaws Discussion**

A discussion of the change in bylaws approval process at Alameda CTC was presented including that Alameda CTC will be the approving body of all committee bylaws. Members express concern about the change and the desire to review the bylaws prior to Commission approval.

Questions/feedback from the members:

- A member suggested postponing taking the bylaws to the full Commission to allow the advisory committees an opportunity to review them.
- Overall, the committee wanted to know if the advisory committees will have the ability to review and make comments on the bylaws. Tess informed the committee that staff will take the bylaws to the committees in July.
- A member noted that the committees know more about what their role is than the Commission, and therefore, they should be able to advise the Commission, while the bylaws are being developed.

James Paxson requested staff provide a redline version of the bylaws to the committee for review, and the committee will have an opportunity to make comments.

*Pat Piras moved to approve that the Commission allow CWC/IWC to review a redline version of the bylaws at the IWC July meeting prior to the Commission adopting them in late July. Deborah Taylor seconded the motion. The motion passed 11-0 with two abstentions, Steve Jones and Miriam Hawley.*

## **6. Finalize Draft CWC Annual Report Content**

James Paxson explained what the CWC has done historically to generate the CWC Annual Report. He informed the committee that once the updates are complete, staff will email the updated report to the CWC Annual Report Subcommittee for review. The final report will be presented to the full CWC at the July meeting for adoption.

Questions/feedback from members:

Note that the pages and comments referenced below on the preliminary content the CWC reviewed correspond to the pages from the actual report in the July IWC Agenda Packet.

- Include the CWC's findings in the beginning of the report.
- On page 1, modify the first sentence in column two under "Measure B Sales Tax Activities" to read "... to ensure appropriate use of sales tax funds."

- On page 1, modify the last sentence in column two under "Measure B Sales Tax Activities" to read "Alameda CTC received an unmodified or clean independent audit opinion for FY2013-14, and the CWC accepted the auditor's opinion."
- On page 2, modify the last two sentences in column one under "Financials At-a-Glance" to provide clarity as follows, "The net revenues allocated 60 percent to programs and 40 percent to projects in the Expenditure Plan are used over the life of the Measure B program to ultimately achieve the split indicated in the Expenditure Plan."
- On page 3, modify the last sentence in column two under "Citizens Watchdog Committee Activities" to specify the agencies that did not meet the timely use of funds policy. Combine the "Annual Report to the Public" and the "Annual Report Outreach Objectives" bullets if possible. Ensure the responses to CWC and public requests for information are included. Include a callout box regarding the CWC to IWC name change. Ensure that the projects and programs that were presented to the CWC are shown. For example, the Dumbarton Corridor Area Transportation Improvements and the BART Oakland Airport Connector.

## **7. Projects and Programs Watch List**

James Paxson requested staff include in the letters to the project sponsors a request for them to specify which agenda items are related to Measure B. He reminded members to fill out the watch list and to submit the list to staff as soon as possible. James requested staff include a sample letter to the jurisdictions in the July Agenda Packet.

## **8. Review of Agency Reporting Procedures and Related Analytics**

James Paxson said that one thing the CWC talked about with staff is to meet with staff to review the compliance analytics. His preference is to work through the compliance reports/process and to inform the agency on how to make it easier for viewing. He requested that CWC members volunteer to serve on a Compliance Reporting Subcommittee to meet with staff to discuss some ideas he has regarding the reporting and to provide input on the process.

The following members volunteered to serve on the CWC Subcommittee:

- JoAnn Lew
- Murphy McCalley
- James Paxson
- Pat Piras

Staff reiterated that the compliance reporting spreadsheets are an internal tool created to track if the agencies are in compliance with the requirements of Measure B. If the CWC wants changes, staff will need to discuss them before additional time is dedicated to modifying a process that is already functional. [Note to Committee Members: This subject will be discussed at a meeting in March and will include a full overview of the program compliance process.]

## **9. Responses to CWC Requests for Information**

Patricia Reavey informed the committee that Jo Ann Lew submitted the following questions related to the CWC Annual Report. Note that Patricia provided a verbal response to each question.

- Will the CWC Annual Report cover two years of CWC activities from July 1, 2013 through June 30, 2015, or through July 2015, which is the fiscal year 2015-2016?



- Measure B revenues totaled \$127.1 million and expenditures totaled \$172.7 million. Please explain why expenditures exceeded revenues for FY2013-14.
- The 60 percent and 40 percent funding for programs and projects respectively. However, the reference to \$66.8 million expended on direct local distribution and \$96 million expended on capital projects do not reflect the 60/40 funding plan. Please explain why the FY2013-2014 expenditures are not consistent with the Measure B Expenditure Plan.
- Under "Alameda CTC Programs," the report states \$71.8 million was expended in FY2013-2014, yet the percentages of the funds expended are not consistent with the Expenditure Plan. Please provide an explanation.

Pat Piras raised a question regarding the City of Oakland using Direct Local Distribution (DLD) funds to establish the Office of Transportation. If that is true, does the Expenditure Plan say anything to prohibit agencies from using the funds in that manner? Art Dao stated that Alameda CTC will not know how the City of Oakland utilized the DLD funds until after the compliance audit process. The Expenditure Plan does not prohibit the cities from using the DLD funds for transportation purposes or staffing. Art stated that in 2008 the City of Berkeley decided to use most of its DLD funds to keep projects moving. The CWC raised concerns, but after the analysis, this use was consistent with the voter's mandate.

Pat Piras requested an update on priority development areas (PDAs). She noted that she understands the basic role of the Watchdog Committee is to look at expenditures, not future allocations; however, it would be helpful if the committee can receive a "baseline" understanding of the status and viability of Alameda County's PDAs as Alameda CTC prepares to have Measure BB funds available for their improvements. Art Dao stated that this is pertaining to the PDA Investment and Growth Strategy under the One Bay Area Grant Program. He stated that the Surface Transportation Program and the Congestion Mitigation & Air Quality Improvement Program funds are used for PDAs and are not under the purview of the CWC.

James Paxson encouraged the committee to forward any questions to him or Patricia Reavey on any topic of interest.

## **10. CWC Member Reports/Issues Identification**

### **10.1. CWC Issues Identification Process Form**

James Paxson explained the process for this agenda item.

### **10.2. Issues Discussion**

Jo Ann Lew requested responses to her interest on the grant process during the next annual project and program update in January.

Additional questions/feedback from members:

- CWC members said it would be helpful to know how the discretionary funds are awarded, before the CWC reviews the Measure BB expenditures.
- Members stated that they need more detail on the front end of the project cycle and on who decides how grants are awarded. Having this knowledge beforehand will allow members to review the expenditures thoroughly. Staff reiterated that the CWC's role is to review the expenditures. Alameda CTC can share policies with the committee; however, it's important not to use staff's time outside of the scope of the CWCs role.

- It was noted that Page 35 in the 2014 Transportation Expenditure Plan states that the IWC has the responsibility of overseeing and reviewing the sales tax funds. "Overseeing" is not in 2000 Transportation Expenditure Plan.

## **11. Staff Reports/Board Actions (Verbal)**

### **11.1. Draft Compliance Summary and Audit Report Review**

John Nguyen gave an update on this agenda item. He mentioned that the CWC received an update on the Direct Local Distribution Program in March, and the jurisdictions reported back to the CWC's and staff's comments. He stated the program compliance report summarizes the jurisdictions expenditures for FY2013-14.

CWC members discussed San Joaquin Regional Rail Commission's (SJRRRC) request for an extension for FY2013-14. John stated the SJRRRC is limited by an existing Cooperative Service Agreement to expend only a certain amount of Measure B funds each year on the Altamont Corridor Service. As a result, SJRRRC maintains a fund balance that exceeds the annual reserve limits until corridor operations are increased per SJRRRC's service plans. John stated SJRRRC's request to exceed the reserve limit is brought to the Commission for final approval.

### **11.2. Mid-Year FY2014-15 Budget Update**

James Paxson requested the members review this agenda item and email questions/comments to staff.

### **11.3. Final FY2014-15 Sales Tax Budget Update**

James Paxson requested the members review this agenda item and email questions/comments to staff.

### **11.4. Alameda CTC FY2014-15 Third Quarter Investment Report**

James Paxson requested the members review this agenda item and email questions/comments to staff.

### **11.5. CWC Calendar FY14-15**

The calendar is in the agenda packet for review purposes.

### **11.6. CWC Roster**

The committee roster is in the agenda packet for review purposes.

### **11.7. Alameda CTC Commission Action Items**

The Commission action items are listed in the agenda packet.

## **12. Adjournment**

The meeting adjourned at 9:10 p.m. The next meeting is scheduled for July 13, 2015 at the Alameda CTC offices.

**MEMORANDUM**

June 26, 2015

**TO:** Independent Watchdog Committee

**FROM:** R. Zachary Wasserman

**RE:** Scope of Authority of the Independent Watchdog Committee

---

As you know, we serve as general counsel to the Alameda County Transportation Commission (“Alameda CTC”). We have been asked to provide this memo clarifying the scope of authority of the Independent Watchdog Committee (“IWC”), formerly known as the Citizens Watchdog Committee (“CWC”), to ensure that all parties understand the IWC’s scope of authority, and addressing some related issues.

The IWC was established pursuant to the 2014 Alameda County Transportation Expenditure Plan (“2014 Plan”). The IWC is a continuation of the CWC established as part of the 2000 Alameda County Transportation Expenditure Plan (“2000 Plan” and collectively with the 2014 Plan, the “Plans”), and has essentially the same responsibilities, authority, and membership composition.<sup>1</sup> Although the IWC serves as an advisory committee to the Commission, Alameda CTC’s governing body which directly governs and controls implementation of the Plans, the IWC is responsible for reporting directly to the public with respect to its conclusions regarding expenditures under the Plans.

The responsibilities of the IWC are specifically set out in the following excerpts from the “Governing Body and Organizational Structure” and “Implementing Guidelines” chapters of the 2014 Plan:

The Independent Watchdog Committee will have the responsibility of reviewing and overseeing all expenditures of sales tax funds by Alameda CTC. The Independent Watchdog Committee reports directly to the public and has the following responsibilities:

- The Independent Watchdog Committee must hold public hearings and issue reports, on at least an annual basis, to inform Alameda County residents about how the sales tax funds are being spent. The hearings will be open to the public and must be held in compliance with the Brown Act, California’s open meeting law, with information announcing the hearings well-publicized and posted in advance.

---

<sup>1</sup> The 2014 Plan states that the IWC “is the same committee as the Citizen’s Watchdog Committee.” Pursuant to the most recent changes to the Alameda CTC Administrative Code, the CWC is renamed the IWC as of July 1, 2015.

June 26, 2015

Page 2

- The Independent Watchdog Committee will have full access to Alameda CTC's independent auditor and will have the authority to request and review specific information regarding use of the sales tax funds and to comment on the auditor's reports.
- The Independent Watchdog Committee will publish an independent annual report, including any concerns the committee has about audits it reviews. The report will be published in local newspapers and will be made available to the public in a variety of forums to ensure access to this information.

The Independent Watchdog Committee will prepare an annual report on spending and progress in implementing the Plan that will be published and distributed throughout Alameda County. On a periodic basis, the Independent Watchdog Committee will review the performance and benefit of projects and programs based on performance criteria established by Alameda CTC as appropriate.

It is clear that the responsibility and the scope of authority of this IWC is focused on and limited to reviewing and reporting on the expenditures of Measure B and Measure BB sales tax funds and not on prospective expenditures or budgets. The IWC does not have any responsibility for setting or recommending policy decisions or procedures of Alameda CTC. The IWC is solely governed by the Plans and the Commission and has no authority or mission by statute or any other source outside of the Plans and the Commission. Despite the clear definition of the IWC's responsibility in the Plans, several specific questions have come up concerning the scope of the IWC's authority, as discussed below.

What is the difference between the IWC and the CWC? The 2014 Plan specifically notes that the IWC is the same as the CWC, other than the change in the committee's name. Although the 2014 Plan states that the IWC "will have the responsibility of reviewing and overseeing all expenditures of sales tax funds," while the 2000 Plan states that the CWC is "charged with reviewing all expenditures" of sales tax funds, the clarifying word "overseeing" does not change the committee's basic role or provide it any additional authority. There is, however, one difference between the responsibilities of the CWC and the IWC under the 2000 Plan and the 2014 Plan. The IWC has one additional responsibility under the language of the 2014 Plan: "On a periodic basis, the Independent Watchdog Committee will review the performance and benefit of projects and programs in the 2014 Plan based on performance criteria established by Alameda CTC as appropriate." The Alameda CTC is in the process of developing such performance criteria for adoption by the Commission.

Can the IWC direct Alameda CTC's independent auditor to conduct additional work? Alameda CTC's independent auditor is engaged and directed by the Alameda CTC Commission and staff. The scope of the auditor's work is set by that engagement and by the rules governing independent government audits, primarily those set by the Government Accounting Standards Board ("GASB"). The IWC can certainly ask the auditors questions and request specific information, including why certain evaluations were or were not made, and why specific documents were or were not examined. The IWC can also express concerns they might have regarding expenditures to the auditors. In addition, the IWC can recommend to the Alameda CTC that different or additional evaluations be made. It does not have the authority, however, itself to direct the auditors to take any action. Ultimately, the decision of whether or not further or additional testing is warranted, in



June 26, 2015

Page 3

regards to recommendations made by the IWC or the Commission, will be at the discretion of the auditors based on their professional assessment of risk.

Can the IWC direct that sponsor compliance audits and reports contain specific information? The IWC can certainly review sponsor compliance reports and suggest that different or additional questions be addressed, but it does not have the authority itself to require that changes be made to the compliance reports or audits, or the agency's processes related to submission and review of these reports. Once performance measures are adopted by the Commission, the IWC can also review these reports in terms of those measures, as appropriate for Measure BB fund expenditures.

Can the IWC create an audit subcommittee to meet with the Alameda CTC's auditor? The Plans state that the IWC will have "full access to Alameda CTC's independent auditor." While this is primarily directed at being able to meet with the auditor directly and ask any questions of the auditor, it also implies that the whole committee will perform this function. This is further reflected in the language in the 2014 Plan that states that: "The members of the Independent Watchdog Committee are expected to provide a balance of viewpoints, geography, age, gender, ethnicity and income status, to represent the different perspectives of the residents of the county." This balance is not achieved if a subgroup of the committee meets with the auditor, even if there is a subsequent meeting with the full IWC. This process is somewhat different from that utilized by the Commission due to the relationship between the Auditor and the Commission, and since the authority and responsibilities of the Commission are different from those of the IWC. The IWC's responsibility is to review and report on the audit. The Commission's responsibility is to employ the auditor, respond to questions and comments made by the auditor, and to fulfill its governmental and fiduciary duties to the public.

Can the IWC exclude Alameda CTC staff from meetings with the auditor? There is no authority in the Plan for the IWC to have private meetings with the auditor. Additionally, the IWC is governed by the Brown Act and there is no provision under the Act allowing this advisory committee to have private meetings from which the public or staff is excluded. The IWC has an important role in assuring the public that Measure B and Measure BB funds are being spent in accordance with the Plans. That role requires meetings to be public. That role is also limited to what is described in the Plans. As noted above, the Commission itself has different responsibilities regarding the auditor and the audit and some of those required communications are properly conducted by a subcommittee in private to assure the free flow of information between the authorized representatives of the Commission and the auditor as required by the Statement on Auditing Standards no. 99.

Does the language in the Plans that says that members shall be "private citizens" require that members be lawful citizens of the United States or provide proof of citizenship? It does not. The use of the term "citizens" is clearly intended as a contrast to elected officials or public employees from agencies that oversee or benefit from the tax administered by the Commission. All residents of Alameda County, other than elected officials, specifically excluded public employees, and individuals with an economic interest in any of Alameda CTC's projects or programs, are eligible to serve. There is no requirement to submit any proof of U.S. citizenship.

We hope that this memo answers any questions that members of the IWC – or the public at large – may have regarding the IWC's role and responsibility.

RZW/rzw

***This page intentionally left blank***



# Memorandum

9.2

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

**DATE:** July 6, 2015

**SUBJECT:** Independent Watchdog Committee Bylaws

**RECOMMENDATION:** Receive an update on the Independent Watchdog Committee Bylaws

## Summary

The Commission is scheduled to review and approve the bylaws for Alameda CTC's four advisory committees in September, which includes the bylaws for the the Alameda County Technical Advisory Committee (ACTAC), the Bicycle and Pedestrian Advisory Committee (BPAC), the Independent Watchdog Committee (IWC) and the Paratransit Advisory and Planning Committee (PAPCO). The bylaws have been modified to incorporate information regarding the 2014 Transportation Expenditure Plan and to maintain structure and standardization among the various advisory committees. The Citizens Watchdog Committee (CWC), which was required by Measure B in the 2000 Transportation Expenditure Plan, has become the IWC as required by Measure BB in the 2014 Transportation Expenditure Plan. The Commission has continued the CWC as the IWC, which reports directly to the public and is charged with reviewing all Measure B expenditures and Measure BB expenditures and performance measures, as appropriate.

Approval of the bylaws formalizes the roles, structure, function and procedures for advisory committee operations. The bylaws will be effective as of July 1, 2015 once approved by the Commission and will apply to all future meetings.

The proposed changes to the CWC Bylaws, which have become the IWC Bylaws, are presented in redline in Attachment A. Below is a summary of bylaw changes to all of the committees.

- Definitions: This section was updated to include definitions for:
  - 2014 Transportation Expenditure Plan
  - Bicycle and Pedestrian Advisory Committee (BPAC) to describe its new role
  - Independent Watchdog Committee to replace CWC
  - Measure BB, Measure BB Program, and Measure BB Project

- Purpose and Responsibilities: This section was updated to include requirements of Measure BB as defined in the 2014 Transportation Expenditure Plan.
- Members: This section was updated for all bylaws, except for ACTAC, to specify the members' term limit and to specify that when vacancies are filled, the appointee must meet the requirements to serve on the committee.
- Meetings: This section was updated to allow the chair to limit the amount of time a member of the public may speak and to include the Overall Work Program and budget which governs the number of regular/subcommittee meetings a committee may hold based on what has been funded in the budget.
- Subcommittees: This section was updated to reference the Overall Work Program and budget, which the Commission approves.
- General Matters: This section was updated to specify that the bylaws of each committee are approved and adopted by the Commission to ensure that the committees meet the needs of the Commission based on the committee's purpose, as established by the Commission.

### **Changes to Specific Bylaws**

- ACTAC: The general changes made apply to all bylaws.
- BPAC: Measure BB was included where applicable to programs and projects.
- IWC: The reference for meeting minutes and the language regarding election of officers was standardized to match the other bylaws. Additional changes include:
  - A definition was added for performance measures.
  - The responsibilities were updated to include IWC's new role of reviewing performance measures.
  - Qualifications of membership on the IWC were included.
- PAPCO: The standing subcommittees (bylaws, fiduciary and finance, program plan review, and section 5310) are no longer listed in the bylaws. These are now covered under the Overall Work Program and budget. Measure BB was included where applicable to programs and projects.

**Fiscal Impact:** There is no fiscal impact.

### **Attachments**

- A. Independent Watchdog Committee Bylaws
- B. IWC Appointment Application

### **Staff Contact**

[Patricia Reavey](#), Deputy Director of Finance

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





## **CitizensIndependent Watchdog Committee Bylaws**

### **Article 1: Definitions**

**1.1.1 2000 Transportation Expenditure Plan.** The plan for expending transportation sales tax (Measure B) funds, presented to the voters in 2000, and implemented in 2002.

**1.2 2014 Transportation Expenditure Plan.** The plan for expending transportation sales tax (Measure BB) funds, presented to the voters in 2014, and implemented in 2015.

**1.3 Alameda County Transportation Commission (Alameda CTC).** Alameda CTC is a joint powers authority resulting from the merger of the Alameda County Congestion Management Agency ("ACCMA") and the Alameda County Transportation Improvement Authority ("ACTIA"). The 22-member Alameda CTC Commission ("Commission") is comprised of the following representatives:

**1.13.1** All five Alameda County Supervisors.

**1.13.2** Two City of Oakland representatives.

**1.13.3** One representative from each of the other 13 incorporated ~~13~~ cities in Alameda County.

**1.13.4** A representative from Alameda-Contra Costa Transit District ("AC Transit").

**1.13.5** A representative from San Francisco Bay Area Rapid Transit District ("BART").

**1.24 Alameda County Transportation Improvement Authority (ACTIA).** The governmental agency previously responsible for the implementation of the Measure B half-cent transportation sales tax in Alameda County, as approved by voters in 2000 and implemented in 2002. Alameda CTC has now assumed responsibility for administration of the sales tax.

**1.35 Appointing Party.** A person or group designated to appoint committee members.

**1.46 At-Large Member.** One of the 10 ~~CWC~~Independent Watchdog Committee (IWC) members representing supervisorial districts as described in Section 3.1.1 below.

**1.57 Bicycle and Pedestrian Advisory Committee (BPAC).** The Alameda CTC Committee that ~~reviews all competitive applications submitted to~~involves interested community members in the Alameda CTC ~~for the Bicycle~~CTC's policy, planning, and Pedestrian Safety funds, along with the developmentimplementation efforts related to bicycling and walking. updating of the Alameda Countywide Pedestrian and Bicycle Plans. ~~Serving as the countywide BPAC, the~~

~~Committee also provides input on countywide educational and promotional programs, and other projects of countywide significance.~~

**1.68 Brown Act.** California's open meeting law, the Ralph M. Brown Act, California Government Code, Sections 54950 et seq.

**1.9 Expenditures.** Costs incurred and paid for with funds generated from the Measure B and Measure BB sales taxes.

**1.10 Fiscal Year.** July 1 through June 30.

~~**7-Citizens**~~**1.11 Independent Watchdog Committee (CWC or "Committee").** The Alameda CTC Committee of individuals created by the ~~ACTIA Board~~Commission as required by Measure ~~BBB~~, with the assistance of the League of Women Voters and other citizens groups, ~~and~~. This Committee was originally created by the ACTIA Board and called the Citizens Watchdog Committee as required by Measure B, and was continued by the Commission; subsequent to the passage of Measure BB as the Independent Watchdog Committee. The Committee has the same composition as the Citizens Watchdog Committee required by Measure B. The Committee reports directly to the public and is charged with reviewing all Measure B expenditures and Measure BB expenditures and performance measures of the agency. ~~Citizens Watchdog Committee, as appropriate. IWC~~ members are ~~private citizens~~Alameda County residents who are not elected officials at any level of government, nor individuals in a position to benefit personally in any way from the sales tax.

~~**1.8 Expenditure Plan.** The plan for expending Transportation sales tax (Measure B) funds, presented to the voters in 2000, and implemented in 2002.~~

~~**1.9 Executive Director.** The chief executive staff member of Alameda CTC who reports directly to the Commission.~~

~~**1.10 Fiscal Year.** July 1 through June 30.~~

~~**1.11**~~**1.12 Local Newspapers.** A periodical publication typically published weekly or daily, that serves a city or cities within Alameda County, whereby the contents are reasonably accessible to the public. On-line publications of these periodicals are included in this definition.

**1.13 Measure B.** The measure approved by the voters authorizing the half-cent sales tax for transportation services now collected and administered by the Alameda CTC and governed by the 2000 Transportation Expenditure Plan. ~~The Collections for the~~ sales tax authorized by Measure B began on April 1, 2002 and extends through March 31, 2022.

~~**1.12**~~**1.14 Measure BB.** The measure approved by the voters authorizing the sales tax for transportation services collected and administered by the Alameda CTC and governed by the 2014 Transportation Expenditure Plan. Measure BB augments the half-cent Measure B sales tax by a half cent, beginning April 1, 2015 through March 31, 2022. The full one-cent sales tax authorized by Measure BB will begin April 1, 2022 and will extend through March 31, 2045.

**1.15 Measure B Program.** Transportation or transportation-related program specified in the 2000 Transportation Expenditure Plan for funding transportation programs and projects on a percentage-of-revenues ~~basis~~ or grant allocation basis.

**1.131.16 Measure BB Program.** Transportation or transportation-related program specified in the 2014 Transportation Expenditure Plan for funding transportation programs and projects on a percentage-of-revenues or grant allocation basis.

**1.17 Measure B Project.** Transportation and transportation-related capital projects specified in the 2000 Transportation Expenditure Plan for funding in the amounts allocated in the 2000 Transportation Expenditure Plan.

**1.14.1.18 Measure BB Project.** Transportation and transportation-related capital projects specified in the 2014 Transportation Expenditure Plan for funding in the amounts allocated in the 2014 Transportation Expenditure Plan.

**1.19 Organizational Meeting.** ~~The annual regular meeting of the CWC will be scheduled to be in June. An organizational meeting will be scheduled annually to elect officers and adopt the annual calendar.~~

**1.1520 Organizational Member.** One of the seven ~~CWC~~IWC members representing organizations as described in Section 3.1.2 below.

**1.1421 Paratransit Advisory and Planning Committee (PAPCO).** The Alameda CTC Committee that meets to address funding, planning, and coordination issues regarding paratransit services in Alameda County. Members must be ~~an~~ Alameda County ~~resident~~residents and ~~an~~ eligible ~~user~~users of any transportation service available to seniors and people with disabilities in Alameda County. PAPCO is supported by a Paratransit Technical Advisory Committee comprised of Measure B and Measure BB-funded paratransit providers in Alameda County.

**1.1722 Performance Measures.** A quantifiable method used to assess how well the Alameda CTC is achieving its desired objectives for projects and programs.

**1.23 Planning Area.** Geographic groupings of cities and ~~of~~ Alameda County for planning and funding purposes. North County: Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont; Central County: Hayward, San Leandro, unincorporated county (near Hayward); South County: Fremont, Newark, Union City; East County: Dublin, Livermore, Pleasanton, the unincorporated area of Sunol.

## Article 2: Purpose and Responsibilities

**2.1 Committee Purpose.** The Committee is appointed pursuant to Measure B and Measure BB to review all expenditures of the Measure B ~~half-cent~~ transportation sales tax ~~measure and all expenditures and performance measures, as appropriate, of the Measure BB transportation sales tax~~ and to report directly to the public.

**2.2 Committee Roles and Responsibilities from Expenditure Plan.** — As defined by the Measure B and Measure BB Transportation Expenditure Plan, the roles and responsibilities of the Committee ~~are to include~~:

**2.2.1** Review Alameda CTC's audited financial reports for Measure B and Measure BB expenditures.

**2.2.2** Have full access to Alameda CTC's independent auditor and have authority to request and review specific information regarding the use of Measure B and Measure BB sales tax funds and to comment on Alameda CTC's audited financial reports once approved by the Commission

**2.2.3** On a periodic basis, as defined by the Alameda CTC, the Committee will review the performance and benefit of projects and programs based on performance criteria established by Alameda CTC, as applicable.

**2.2.14** Hold public hearings and issue reports, on at least an annual basis, to inform Alameda County residents ~~how the funds raised by the Measure B Tax are being spent about~~ how Measure B and Measure BB transportation sales tax funds are spent, based upon Alameda CTC's audited financial reports, and on implementation progress of the 2014 Transportation Expenditure Plan.

~~**2.2.2** Have full access to the Agency's independent auditor and will have authority to request and review specific information and to comment on the auditor's reports.~~

**2.2.35** Publish an annual report and any comments concerning the ~~audit~~ audited financial report in local newspapers and ~~to~~ make copies of the report available to the public at large, as approved within Alameda CTC's annual budget.

~~**2.3 Additional Responsibilities.** Additional CWC member responsibilities are to:~~

~~**2.3.1** Communicate from time to time to the Alameda CTC by resolution suggestions and concerns pertinent to the administration and expenditure of Measure B funds.~~

~~**2.3.2** Communicate as necessary to recommend that an appointing party appoint a new member when there is a vacancy or upcoming end of term.~~

## Article 3: Members

**3.1 Number of Members.** The ~~CWC~~IWC will consist of 17 members.

**3.1.1** Ten members shall be at-large, two each representing the five supervisorial districts in Alameda County, one of the two nominated by a member of the Board of Supervisors and one of the two selected by the Alameda County Mayors' Conference.

**3.1.2** Seven of the members shall be nominated by the seven organizations specified in the 2014 Transportation Expenditure Plan: ~~Alameda County~~East Bay Economic Development Alliance ~~for Business~~; Alameda County Labor Council; Alameda County Taxpayers' Association; Alameda County Paratransit Advisory and Planning Committee; Bike East Bay, formerly known as East Bay Bicycle Coalition; League of Women Voters; and Sierra Club.

**3.2 Appointment.** The Commission will make appointments in the following manner:

**3.2.1** Each member of the Alameda County Board of Supervisors shall select one At-Large Member to represent his or her supervisorial district.

**3.2.2** The Alameda County Mayors' Conference shall select one At-Large Member to represent each of the five supervisorial districts.

**3.2.3** Each organization listed in Section 3.1.2 above shall, subject to approval by the Commission, select one organizational member.

**3.3 Membership Qualification.** Each ~~CWG~~IWC member shall be an Alameda County resident. ~~A CWG~~An IWC member shall not be an elected official at any level of government; or be a public employee of any entity that oversees or benefits from the proceeds of ~~the~~ Measure B ~~Tax and Measure BB transportation sales taxes~~; or have any economic interest in any project or program. Members must meet qualifications indicated on the Alamedas CTC application form as approved by the Commission to serve on the committee, with a preference for those with the ability to review financial reports to fulfill the duties of the Watchdog Committee as described in the Transportation Expenditure Plans.

**3.4 Membership Term.** Appointments shall be for ~~two-year~~ terms. ~~There is no maximum number of terms a member may serve. Members shall serve up to two-years or~~ until the Commission appoints ~~their successors~~a successor.

**3.5 Attendance.** Members will actively support committee activities and regularly attend meetings. Accordingly, more than three consecutive absences ~~during a fiscal year may be~~ cause for removal from the Committee. ~~However, a member removed from the Committee may be reappointed by an appointing party.~~

**3.6 Termination.** A member's term shall terminate on the occurrence of any of the following:

**3.6.1** The member voluntarily resigns by written notice to the chair or Alameda CTC staff.



**3.6.2** The member fails to continue to meet the qualifications for membership, including attendance requirements.

**3.6.3** The member becomes incapable of continuing to serve.

**3.6.4** The appointing party or the Commission removes the member from the Committee.

**3.7 Vacancies.** An appointing party shall have the right to appoint ~~(subject to approval by the Commission)~~ a person to fill the vacant member position, subject to the ability of the person to meet the requirements to serve on the committee and approval of the Commission. Alameda CTC shall be responsible for notifying an appointing party of such vacancy and for urging expeditious appointment of a new member, as appropriate.

#### Article 4: Officers

**4.1 Officers.** The ~~CWCIWC~~ shall ~~bi-annually~~ ~~(every two years)~~ elect a chair and vice chair. Each officer must be a duly appointed member of the ~~CWCIWC~~.

**4.1.1 Duties.** The chair shall preside at all meetings and will represent the ~~CWCIWC~~ before the Commission to report on ~~CWCIWC~~ activities. The chair shall serve as an ex-officio member of all subcommittees except a nominating subcommittee (when the ~~CWCIWC~~ discusses the chair position). The vice chair shall assume all duties of the chair in the absence of, or on the request of the chair.

**4.2 Office Elections.** Officers shall be elected by the members ~~bi-annually~~ ~~(every two years)~~ at the Organizational Meeting or as necessary to fill a vacancy. An individual receiving a majority of votes by a quorum shall be deemed to have been elected and will assume office at the meeting following the election. In the event of multiple nominations, the vote shall be by ballot. Officers shall be eligible for re-election indefinitely.

#### Article 5: Meetings

**5.1 Open and Public Meetings.** All ~~CWCIWC~~ meetings shall be open and public and governed by the Brown Act. Public comment shall be allowed at all ~~CWCIWC~~ meetings. The time allotted for comments by a member of the public in the general public comment period or on any agenda item shall be ~~at the discretion of the chair. up to 3 minutes per speaker at the discretion of the chair.~~ The number of IWC meetings, including regular meetings, sub-committee meetings, special meetings and public hearings, will be limited to the number of meetings approved in Alameda CTC's annual overall work program and budget, as approved by the Commission.

**5.2 Regular Meetings.** The ~~CWCIWC~~ shall have a regular meeting at least once per quarter. Prior to each Organizational Meeting, the outgoing chair shall cause all members to be canvassed as to their available meeting times and shall recommend the day and time that best accommodates the schedules of all members, giving due regard to accommodating the schedule of any continuing member who has missed meetings due to a conflict in the prior year. Annually, at the Organizational Meeting, ~~CWCIWC~~ shall establish the schedule of regular

meetings for the ensuing year. Meeting dates and times may be changed and additional regular meetings scheduled during the year by action of ~~CWG~~the IWC.

**5.3 Quorum.** For purposes of decision making, a quorum shall consist of at least half (50 percent) plus one of the total number of members appointed at the time a decision is made. Members will not take actions at meetings with less than 50 percent plus one ~~member~~members present. Items may be discussed and information may be distributed on any item even if a quorum is not present-; however, no action can be taken, until the Committee achieves a quorum.

**5.4 Special Meetings.** Special meetings may be called by the chair or by a majority of the members requesting the same in writing given to the chair, with copies to the vice chair and the Executive Director, specifying the matters to be considered at the special meeting. The chair or vice chair shall cause notice of a special meeting stating the matters to be considered to be given to all ~~CWG~~IWC members and posted and published in accordance with the Brown Act.

**5.5 Public Hearing.** At least annually, prior to publication of ~~CWG's~~IWC's annual report, ~~CWG~~IWC shall conduct a public hearing on a draft of the ~~CWG~~IWC annual report. Each public hearing shall be conducted as part of a regular meeting.

**5.6 Agenda.** All meetings shall have a published agenda. Action may be taken only on items indicated on the agenda as action items. Items for a regular meeting agenda may be submitted by any member to the chair and Alameda CTC staff. The Commission and/or Alameda CTC staff may also submit items for the agenda. Agenda planning meetings are held approximately three weeks prior to each ~~CWG~~IWC meeting. Alameda CTC staff will notify all ~~CWG~~IWC members when this meeting is established and remind members to submit any agenda item requests to the chair at least one day prior to the agenda planning meeting date. At the agenda planning meeting, the chair and Alameda CTC staff will discuss any agenda items submitted to the chair. Every agenda shall include a provision for members of the public to address the Committee. The chair and the vice chair shall review the agenda in advance of distribution. Copies of the agenda, with supporting material and the past meeting minutes, shall be mailed to members and any other interested parties who request it. The agenda shall be posted on the Alameda CTC website and in the Alameda CTC office and provided at the meeting, all in accordance with the Brown Act.

**5.7 Roberts Rules of Order.** The rules contained in the latest edition of "Roberts Rules of Order Newly Revised" shall govern the proceedings of the ~~CWG~~IWC and any subcommittees thereof to the extent that the person presiding over the proceeding determines that such formality is required to maintain order and make process, and to the extent that these actions are consistent with these bylaws.

**5.8 Place of Meetings.** ~~CWG~~IWC meetings shall be held at the Alameda CTC offices, unless otherwise designated by the Committee. Meeting locations shall be within Alameda County, accessible in compliance with the Americans with Disabilities Act of 1990 (41 U.S.C., Section 12132) or regulations promulgated there under, shall be accessible by public transportation, and shall not be in any facility that prohibits the admittance of any person, or

persons, on the base of race, religious creed, color, national origin, ancestry, or sex, or where members of the public may not be present without making a payment or purchase.

**5.9 Meeting Conduct.** ~~CWCIWC~~ members shall conduct themselves during meetings in a manner that encourages respectful behavior and provides a welcoming and safe environment for each member and staff member characterized by an atmosphere of mutual trust and respect. Members shall work with each other and staff to respectfully, fairly, and courteously deal with conflicts if they arise.

## Article 6: Subcommittees

**6.1 Establishment.** The ~~CWCIWC~~ may establish subcommittees ~~when and as necessary or advisable subject to make nominations for office of the CWC, to develop and propose policy on a particular issue, approved Alameda CTC overall work program and budget as approved by the Commission~~ to conduct an investigation, ~~or~~ to draft a report or other document, ~~or for any other purpose~~ within the authority of the ~~CWCIWC~~.

**6.2 Membership.** ~~CWCIWC~~ members will be appointed to subcommittees by the ~~CWCIWC~~ or by the chair. No subcommittee shall have fewer than three members, nor will a subcommittee have sufficient members to constitute a quorum of the ~~CWCIWC~~.

## Article 7: Records and Notices

**7.1 Minutes.** Minutes of all meetings, including actions and the time and place of holding each meeting, shall be kept on file at the Alameda CTC office. Alameda CTC staff will prepare ~~draft minutes for each meeting and distribute them for informational purposes only within 21 days of the CWC meeting and will and~~ include full minutes in meeting packets prior to each regular ~~CWCIWC~~ meeting.

**7.2 Attendance Roster.** A member roster and a record of member attendance shall be kept on file at the Alameda CTC office.

**7.3 Brown Act.** All meetings of the ~~CWCIWC~~ will comply with the requirements of the Brown Act. Notice of meetings and agendas will be given to all members and any member of the public requesting such notice in writing and shall be posted at the Alameda CTC office at least 72 hours prior to each meeting. Members of the public may address the ~~CWCIWC~~ on any matter not on the agenda and on each matter listed on the agenda, ~~pursuant in compliance with the Brown Act and time limits, up to procedures three minutes per speaker, set by at the discretion of the chair and/or committee.~~

**7.4 Meeting Notices.** Meeting notices shall be in writing and shall be issued via U.S. Postal Service, Alameda CTC website, personal delivery, and/or email. Any other notice required or permitted to be given under these bylaws may be given by any of these means.

## Article 8: General Matters

**8.1 Per Diems.** Committee members shall be entitled to a per diem stipend for meetings attended in amounts and in accordance with policies established by the Alameda CTC.

**8.2 Conflicts of Interest.** A conflict of interest exists when any Committee member has, or represents, a financial interest in the matter before the Committee. Such direct interest must be significant or personal. In the event of a conflict of interest, the Committee member shall declare the conflict, recuse ~~him~~himself or herself from the discussion, and shall not vote on that item. Failure to comply with these provisions shall be grounds for removal from the Committee.

~~**8.3 Amendments to Bylaws.** These bylaws will be reviewed annually, and may be amended, repealed, or altered, in whole or in part, by a vote taken at a duly constituted Committee meeting at which a quorum is present.~~

~~**8.3 Bylaws.** Bylaws governing the meetings and activities of the IWC are approved by the Alameda CTC.~~

**8.4 Public Statements.** No member of the Committee may make public statements on behalf of the Committee without authorization by affirmative vote of the Committee, except the chair, or in his or her place the vice chair, when making a regular report of the Committee activities and concerns to the Alameda CTC. This does not include presentations about the Committee to city councils, which all Committee members have a responsibility to make.

**8.5 Conflict with Governing Documents.** In the event of any conflict between these bylaws and the July 2000 ~~Alameda County~~Transportation Expenditure Plan, the January 2014 Transportation Expenditure Plan, California state law, or any action lawfully taken by ACTIA or the Alameda CTC, the Transportation Expenditure ~~Plan~~Plans, state law or the lawful action of ACTIA or the Alameda CTC shall prevail.

**8.6 Staffing.** Alameda CTC will provide ~~all~~ staffing to the Committee including preparation and distribution of meeting agendas, packets, and minutes; ~~preparation of reports to the Alameda CTC Committees and Commission;~~ tracking of attendance; and stipend administration.

**8.7 Financial**~~Economic~~ **Interest.** Each Committee member shall ~~in a timely manner, no later than March 15 of every year,~~ prepare and file with Alameda CTC a statement of ~~financial~~economic interest in the form required by law~~-, currently Form 700 which can be found on the California Fair Political Practices Commission website,~~ http://www.fppc.ca.gov/index.php?id=500.

***This page intentionally left blank***



## Join the Alameda County Transportation Commission Independent Watchdog Committee (IWC)



### About Alameda CTC.

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. Community advisory committees make recommendations to Alameda CTC, keep a close eye on transportation improvements and engage project sponsors and community members.

### Get involved and make a difference!

Make sure your Measure B and Measure BB tax dollars are improving transportation in Alameda County, as promised to voters. The IWC is charged with the review of Measure B expenditures, Measure BB expenditures and performance measures, and reports directly to the public each year on their findings.

### Public meetings.

Generally, the group meets quarterly on the second Monday of the month, from 6:30 to 8:30 p.m. Meetings are open to the public.

### Interested?

Fill out the application on the back of this flyer and contact your appointing party (see the Alameda CTC website at [www.alamedactc.org/app\\_pages/view/8](http://www.alamedactc.org/app_pages/view/8) for district supervisors) or contact Alameda CTC at 510.208.7400.

### Membership requirements:

The 17 members are appointed for terms of up to two years:

- One per district, appointed by the Board of Supervisors
- One per district, appointed by the Alameda County Mayor's Conference
- One per representing organization specified in the Measure B and Measure BB Expenditure Plans:
  - Alameda County Labor Council
  - Alameda County Taxpayers' Association
  - Alameda County Paratransit Advisory and Planning Committee
  - Bike East Bay
  - East Bay Economic Development Alliance
  - League of Women Voters
  - Sierra Club

Members must:

- Be Alameda County residents.
- Be private citizens (not elected officials or employees of an agency that oversees or benefits from the sales tax).
- Not be in a position to benefit personally from the sales tax.

Member preference:

- A combination of training and/or experience that would provide the required knowledge, skills and ability to adequately review and comment on financial statements and other financial information, specifically expenditures, and performance measures is preferred.



# Application for the Alameda CTC Independent Watchdog Committee (IWC)



Alameda CTC invites Alameda County residents to serve on its **Independent Watchdog Committee**, which generally meets quarterly on the second Monday of the month from 6:30 to 8:30 p.m. Each member is appointed for a term of up to two years.

## Membership qualifications:

Each IWC member must be a resident of Alameda County and must have a combination of training and/or experience that would provide the required knowledge, skills and ability to adequately review and comment on financial statements and other financial information, specifically expenditures, and performance measures. Each IWC member must NOT be an elected official at any level of government or a public employee of an agency that oversees or benefits from the proceeds of the sales tax or have any economic interest in any Measure B or Measure BB-funded projects or programs.

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Mailing Address (if different): \_\_\_\_\_

Phone: (home) \_\_\_\_\_ (work) \_\_\_\_\_ (fax) \_\_\_\_\_

Email: \_\_\_\_\_

Please respond to the following sections on a separate attachment:

- I. Commission/Committee Experience:** What is your previous experience on a public agency commission or committee? Please also note if you are currently a member of any commissions or committees.
- II. Statement of Qualifications:** Provide a brief statement indicating why you are interested in serving on the IWC and why you are qualified for this appointment.
- III. Relevant Work or Volunteer Experience:** Please list your current employer or relevant volunteer experience including organization, address, position and dates.
- IV. Bio or Resume:** Please include your current biography or resume.

**Certification:** I certify that the above information is true and complete to the best of my knowledge.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Return the application to your appointing party for signature (see [www.alamedactc.org/app\\_pages/view/8](http://www.alamedactc.org/app_pages/view/8)), or fax (510.893.6489) or mail it to Alameda CTC.

### Appointing Party:

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

### IWC FY2015-16 Calendar of Meetings and Activities

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

Categories	Monday, July 13, 2015	Monday, November 09, 2015	Monday, January 11, 2016	Monday, March 14, 2016
<b>IWC Annual Report</b>	<ul style="list-style-type: none"> <li>Public Hearing on CWC Annual Report (substantially final)</li> <li>Finalize CWC Annual Report and Publication Costs</li> <li>Approve CWC Annual Report Press Release</li> </ul>	<ul style="list-style-type: none"> <li>IWC Annual Report Outreach Summary and Publication Cost Update</li> </ul>		<ul style="list-style-type: none"> <li>Establish IWC Annual Report Subcommittee to create and finalize IWC Annual Report (Subcommittee April through June)</li> </ul>
<b>Measure B and Measure BB Projects and Programs</b>	<ul style="list-style-type: none"> <li>Issues Identification Process</li> <li>IWC Projects and Programs Watchlist Next Steps</li> </ul>	<ul style="list-style-type: none"> <li>Issues Identification Process</li> </ul>	<ul style="list-style-type: none"> <li>Overview/Update on Measure B and Measure BB Projects and Programs</li> <li>Issues Identification Process</li> </ul>	<ul style="list-style-type: none"> <li>Projects and Programs Watchlist (members sign up for projects and programs) (staff to send letters to jurisdictions in July to keep IWC informed)</li> <li>Issues Identification Process</li> </ul>
<b>Measure B and Measure BB Compliance and Audit Financial Reports</b>		<ul style="list-style-type: none"> <li>Presentation of FY2014-15 Comprehensive Annual Financial Report by Independent Auditor</li> </ul>	<ul style="list-style-type: none"> <li>Measure B and Measure BB FY2015-16 Compliance and Audit Reports available on Alameda CTC Website (raw data, not yet reviewed by staff)</li> </ul>	<ul style="list-style-type: none"> <li>Measure B and Measure BB Audit Report and Program Compliance Report Review Orientation/Workshop</li> <li>Measure B and Measure BB FY2015-16 Compliance and Audit Reports Forwarded to IWC for Review</li> </ul>
<b>Organizational/Standing Reports</b>	<ul style="list-style-type: none"> <li>Discussion of IWC Purview</li> <li>Discussion of IWC Bylaws</li> <li>Approve IWC FY2015-16 Annual Calendar</li> <li>Staff Responses to CWC Members Requests for Information</li> <li>IWC Member Reports</li> </ul>	<ul style="list-style-type: none"> <li>Election of IWC Officers for FY2015-16</li> <li>Staff Responses to IWC Members Requests for Information</li> <li>IWC Member Reports</li> </ul>	<ul style="list-style-type: none"> <li>Staff Responses to IWC Members Requests for Information</li> <li>IWC Member Reports</li> </ul>	<ul style="list-style-type: none"> <li>Staff Responses to IWC Members Requests for Information</li> <li>IWC Member Reports</li> </ul>

***This page intentionally left blank***

## 2015 CWC Annual Report Proposed Publications Costs

Affiliation	Newspaper, Website, or Other Advertisement	2014 Alameda CTC Page Views*	2014 Click-throughs** from Online Media Banners	2014 Cost (Print)	2014 Cost (Web)	Actual 2014 Costs	2015 Media/Size	Proposed 2015 Cost (Print)	Proposed 2015 Cost (Web)	Estimated 2015 Costs
Alameda CTC	<a href="http://www.AlamedaCTC.org">www.AlamedaCTC.org</a>		154		\$0.00	<b>\$0.00</b>				<b>\$0.00</b>
Asianweek	www.asianweek.com - web banner only (linked to the English version)	31,396			\$336.00	<b>\$336.00</b>	Online: 468x60 jpg		\$336.00	<b>\$336.00</b>
Bay Area NewsGroup - East Bay	Alameda Times Star, Argus, Daily Review, Oakland Tribune (delivered to Oakland, Hayward, Alameda, and Fremont), Times Herald Weekly, Tri-Valley Hearld  Online: <a href="http://insidebayarea.com">insidebayarea.com</a>	491,500	467	\$6,949.00	\$3,000.00	<b>\$9,949.00</b>	Print: 10.5" x 10.5" 10.5" x 14" 10.5" x 10"  Online: 300x250 jpeg Med. Rectangle	\$5,219.00	\$3,500.00	<b>\$8,719.00</b>
Bay Area Newsgroup Hills Newspapers	Montclarion, ElCerrito, Berkeley Voice, Piedmonter, Alameda Journal			\$1,512.00		<b>\$1,512.00</b>	Print: 10" x 10"	\$1,134.00		<b>\$1,134.00</b>
Castro Valley Forum	Delivered to: Castro Valley residents and businesses in Alameda, Hayward, San Leandro			\$792.00		<b>\$792.00</b>	Print: 10.25" x 8"	\$792.00		<b>\$792.00</b>
East Bay Express	East Bay Express (delivered to Alameda, Albany, Berkeley, Emeryville, Oakland, Piedmont, San Leandro)  Online: <a href="http://eastbayexpress.com">eastbayexpress.com</a>	35,004	43	\$1,890.00	\$315.00	<b>\$2,205.00</b>	Print: 10.125" x 7.16"  Online: 728 x 90 leaderboard	\$1,984.50	\$500.00	<b>\$2,484.50</b>
The Independent	The Independent - Livermore, Pleasanton, Dublin, and Sunol			\$1,333.08		<b>\$1,333.08</b>	Print: 10" x 8"	\$761.76		<b>\$761.76</b>

## 2015 CWC Annual Report Proposed Publications Costs

Affiliation	Newspaper, Website, or Other Advertisement	2014 Alameda CTC Page Views*	2014 Click-throughs** from Online Media Banners	2014 Cost (Print)	2014 Cost (Web)	Actual 2014 Costs	2015 Media/Size	Proposed 2015 Cost (Print)	Proposed 2015 Cost (Web)	Estimated 2015 Costs
Patch News/AOL Publications in Alameda County	Alameda	1,907	11		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Albany	1,252	7		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Berkeley	699	5		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Castro Valley	756	1		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Dublin	2,557	2		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Fremont	840	0		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38

## 2015 CWC Annual Report Proposed Publications Costs

Affiliation	Newspaper, Website, or Other Advertisement	2014 Alameda CTC Page Views*	2014 Click-throughs** from Online Media Banners	2014 Cost (Print)	2014 Cost (Web)	Actual 2014 Costs	2015 Media/Size	Proposed 2015 Cost (Print)	Proposed 2015 Cost (Web)	Estimated 2015 Costs
Patch News/AOL Publications in Alameda County	Livermore	7,665	2		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Newark	1,105	1		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Piedmont	382	8		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Pleasanton	5,034	3		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 230x50 Leaderboard: 728x90		\$115.38	\$115.38
	San Leandro	710	1		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Union City	1,046	1		<b>\$123.50</b>	<b>\$123.50</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38
	Union City Daily Newsletter	0	0		<b>\$0.00</b>	<b>\$0.00</b>	Online: 300x250 pixels Mobile: 320x50 Leaderboard: 728x90		\$115.38	\$115.38



# 2015 CWC Annual Report Proposed Publications Costs

Affiliation	Newspaper, Website, or Other Advertisement	2014 Alameda CTC Page Views*	2014 Click-throughs** from Online Media Banners	2014 Cost (Print)	2014 Cost (Web)	Actual 2014 Costs	2015 Media/Size	Proposed 2015 Cost (Print)	Proposed 2015 Cost (Web)	Estimated 2015 Costs
Pleasanton Weekley	Pleasanton Weekly	42,271	65	\$978.00	\$200.00	<b>\$1,178.00</b>	Print: 10" x 9.75" Online: 300x250 jpeg Med. Rectangle	\$998.00	\$200.00	<b>\$1,198.00</b>
Post Newsgroup	Oakland Post/El Mundo (San Francisco Post, Berkeley Post, Richmond Post, South County Post and Marin)			\$2,950.00		<b>\$2,950.00</b>	Print: 10" x 8"	\$2,600.00		<b>\$2,600.00</b>
San Leandro Times	Delivered to: San Leandro residents and businesses in Alameda, Castro Valley, Hayward, Oakland			\$792.00		<b>\$792.00</b>	Print: 10.25" x 8"	\$792.00		<b>\$792.00</b>
Titan	AC Transit Bus Interior Cards			\$4,486.47		<b>\$4,486.47</b>	Print: 28" x 11"	\$4,678.56		<b>\$4,678.56</b>
Tri-City Voice	Tri-City Voice - Fremont, Newark, Union City, Hayward, and Sunol			\$735.00		<b>\$735.00</b>	Print: 9.75" x 8" Logo Title 130 x 60 pixels	\$420.00		<b>\$420.00</b>
Vision Hispana	Vision Hispana			\$505.00		<b>\$505.00</b>	Print: 11.5" x 9.5"	\$588.00		<b>\$588.00</b>
	<b>Other Costs</b>									
	Legal Notice of Public Hearing			\$847.67		<b>\$847.67</b>		\$1,433.82		<b>\$1,433.82</b>
	Publications Design			\$4,500.00		<b>\$4,500.00</b>	PDF	\$5,000.00		<b>\$5,000.00</b>
	Language 411 (translation from English to Chinese and Spanish); added translation for Post Newsgroup and Vision Hispana ads			\$1,405.90		<b>\$1,405.90</b>		\$1,405.90		<b>\$1,405.90</b>
	Autumn Press Printing for 1,000 full report and 2,000 flyers in full color			\$3,129.04		<b>\$3,129.04</b>	PDF	\$0.00		<b>\$0.00</b>
	Dakota Press printing for 1,000 full report and 1,000 flyers in full color			\$0.00		<b>\$0.00</b>		\$1,795.80		<b>\$1,795.80</b>
	Outreach mailing			\$172.48		<b>\$172.48</b>		\$172.48		<b>\$172.48</b>
<b>TOTALS:</b>				<b>\$32,978</b>	<b>\$5,333</b>	<b>\$38,311</b>		<b>\$29,776</b>	<b>\$6,036</b>	<b>\$35,812</b>
Difference between 2014 and 2015 Costs=										<b>-\$2,499</b>

\*Page Views: The estimated number of times users visit a newspaper webpage.

\*\*Click-throughs: The ability to click on the Alameda CTC report from the media banner advertisement.

Orange indicates prices quoted from last year.

## FOR IMMEDIATE RELEASE

August \_\_, 2015

Contact: Tess Lengyel, Deputy Director of Planning and Policy

T: 510.208.7428

E: [tlengyel@AlamedaCTC.org](mailto:tlengyel@AlamedaCTC.org)

[www.AlamedaCTC.org](http://www.AlamedaCTC.org)

### **Citizens Watchdog Committee Reports Measure B Sales Tax Expenditures in Compliance with Voter-Approved Expenditure Plan for 13th Year in a Row**

**13th Annual Report to the Public identifies no accounting concerns**

Alameda County - California. On August \_\_, 2015, the Citizens Watchdog Committee (CWC) of the Alameda County Transportation Commission (Alameda CTC) released its 13th Annual Report to the Public, covering fiscal year 2013-2014 expenditures and CWC activities through June 2015. The report confirms that Alameda CTC's audited and expenditures were in compliance with specific caps, and the auditors identified no accounting concerns. It also provides an update on the delivery of voter-approved programs and projects funded by Measure B, Alameda County's half-cent sales tax for transportation improvements approved by 81.5 percent of voters in 2000.

"Each year, the Citizens Watchdog Committee carefully reviews and analyzes Alameda CTC's Measure B expenditures to help ensure that funds are spent in accordance with the measure passed by Alameda County voters. This process is an important part of seeing that the vibrant and livable Alameda County the voters envisioned with the passage of Measure B comes to pass," says CWC Chair James Paxson.

"The CWC is pleased to report that, for the 13th year in a row, Alameda CTC received a clean, unmodified opinion from the agency's independent auditors. These results provide Alameda County residents and businesses with a strong assurance that the Alameda County Transportation Commission continues to deliver on the promises made in Measure B."

In fiscal year 2013-2014, Alameda CTC received \$127.1 million in Measure B revenue and expended \$172.7 million as follows:

- \$113.5 million for public transit, including operations, capital investments and special transportation for seniors and people with disabilities.
- \$19 million for highway and streets projects.
- \$35.3 million for cities and Alameda County for local transportation improvements, including local streets and roads, and bicycle and pedestrian projects.
- \$3.4 million for general administration.
- \$1.5 million for direct program and project management and oversight.

The Citizens Watchdog Committee was created in 2002, after reauthorization of the local sales tax measure in 2000, to represent the different perspectives of taxpayers throughout the county and to review all Measure B expenditures on projects, programs and administration for compliance with the Expenditure Plan. Approximately 60 percent of the

sales tax revenues, net of administrative funding, funds programs, and approximately 40 percent, net of administrative funding, funds capital projects. One of the committee's responsibilities is to issue an annual report to the public on the sales tax fund expenditures.

The 13th CWC Annual Report, Executive Summary, and audits of each agency receiving Measure B funds, are available to the public on the Alameda CTC website. Hard copies of the report are available by request via e-mail to [hbarber@alamedactc.org](mailto:hbarber@alamedactc.org), via mail to Alameda CTC offices at 1111 Broadway, Suite 800, Oakland, CA 94607, or via telephone to 510.208.7439.

The CWC is undergoing a name change to the Independent Watchdog Committee (IWC). The 2014 Transportation Expenditure Plan, which guides the expenditures of Measure BB (approved by Alameda County voters in November 2014), requires the development of the IWC. The IWC is a continuation of the CWC and will report directly to the public on Measure B expenditures and Measure BB expenditures and performance measures of the agency. In 2016, the IWC will release its first annual report to the public.

#### **About the Alameda County Transportation Commission**

Alameda CTC plans, funds and delivers transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County. Alameda CTC coordinates countywide transportation planning and delivers the expenditure plan for the Measure B sales tax approved by county voters in 2000 and the expenditure plan for Measure BB, approved by voters in November 2014. Visit [www.alamedactc.org](http://www.alamedactc.org) to learn more, and follow Alameda CTC on [Facebook](#) and [Twitter](#).

#### **About the Alameda CTC Independent Watchdog Committee**

The Independent Watchdog Committee (IWC) is made up of 17 members, all of whom must be a resident of Alameda County. IWC members are not elected officials at any level of government, nor individuals in a position to benefit personally in any way from the sales tax. The Citizens Watchdog Committee will be known henceforth as the Independent Watchdog Committee.

IWC members are appointed for a term of up to two years, as follows:

- One per district, appointed by the Board of Supervisors.
- One per district, appointed by the Mayor's Conference.
- One per representing organization specified in the Expenditure Plan:
  - East Bay Economic Development Alliance
  - Alameda County Labor Council
  - Alameda County Taxpayers' Association
  - Alameda County Paratransit Advisory and Planning Committee
  - Bike East Bay
  - League of Women Voters
  - Sierra Club

###

**APPENDIX A****DETAILED SCOPE OF SERVICES**

The primary scope of work is to audit all funds and account groups in accordance with auditing standards generally accepted in the United States of America, standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133. CONSULTANT also shall determine the appropriateness of expenditures charged to Federal and other funds as guided by OMB Circular A-87.

In connection with the audit of the financial statements, CONSULTANT shall perform tests of compliance and internal controls in accordance with *Government Auditing Standards*; OMB Circular A-133, *Audits of State and Local Governments*; Government Accounting Standards Board (GASB) and Financial Accounting Standards Board (FASB) pronouncements; and other applicable standards. The audit shall result in the preparation of financial statements, related notes and required supplemental information from the audited records of the ALAMEDA CTC on which CONSULTANT will render an opinion. CONSULTANT shall also submit a management letter, including management's responses with each audit. The management letter should offer suggestions for improvement, if any, in financial management and internal controls.

ALAMEDA CTC has not prepared financial statements, audited or otherwise, for fiscal year 2011, as all of its financial arrangements were carried on the books of the Alameda County Congestion Management Agency (ACCMA) or the Alameda County Transportation Improvement Authority (ACTIA), as applicable. The first conversion year for the ALAMEDA CTC will include additional audits as ACTIA and ACCMA were terminated as of February 29, 2012. The ALAMEDA CTC requires two separate audits for ACTIA and the ACCMA from July 1, 2011 through their termination dates, a full audit for the ALAMEDA CTC for the entire fiscal year from July 1, 2011 through June 30, 2012, and a full audit for the Sunol Smart Carpool Lane Joint Powers Authority (SUNOL JPA), also known as the I-680 Express Lane JPA, for the entire fiscal year from July 1, 2011 through June 30, 2012.

In subsequent years, the ALAMEDA CTC requires separate full audits for each fiscal year for the ALAMEDA CTC and SUNOL JPA including fiscal year 2013 and fiscal year 2014.

Additional scope of work items are as follows:

- Review and opine on the Limitations Worksheet, where ALAMEDA CTC staff presents compliance information on administrative cost limits applicable to ACTIA Measure B funds.
- Review compliance with ALAMEDA CTC policies and procedures.
- Meet with the Audit Committee to discuss required Statement on Auditing Standards (SAS) communications.
- Attendance at Audit Committee, Citizens Watchdog Committee, Finance and Administration Committee, the SUNOL JPA Board and ALAMEDA CTC Commission meetings to present on the audited financial statements.
- Provide assistance in the implementation of GASB statements as applicable.
- Preparation of the Single Audit Report, if required, along with the Schedule of Expenditures of Federal Awards and related notes.

CONSULTANT's audit plan for each of the fiscal years involves six (6) stages for each of the audits. These stages include:

1. Planning
2. Risk Assessment
3. Preparation of the overall audit plan
4. Conducting the Interim Audit
5. Conducting the Final Audit
6. Reporting

**Stage 1: Planning**

CONSULTANT will meet with key ALAMEDA CTC staff to plan the audit services for the year. These meetings will be used to discuss all audit issues and the proposed interim work plan. During this phase, CONSULTANT will accomplish:

1. Identifying the key personnel and contacts in the Finance Department and other departments.
2. Identify the ALAMEDA CTC's significant classes of transactions and business processes.
3. Obtain an understanding of audit risk areas.
4. Developing an understanding of unusual transactions or events that have occurred during the fiscal year.
5. Formalizing logistics.
6. Finalizing the timeframes for interim fieldwork.

**Stage 2: Risk Assessment**

Based upon the information obtained in the planning meetings CONSULTANT will perform a risk assessment as required by Statements on Auditing Standards (SAS) to be used in the preparation of the overall audit plan. As part of this risk assessment CONSULTANT will perform the following:

- Obtain an understanding of the entity and its environment and its risks and material compliance requirements. CONSULTANT will refer to the ALAMEDA CTC's prior year financial statements, annual budget document, government code and other relevant documentation to assist with their understanding of the ALAMEDA CTC's business environment and risks. CONSULTANT will also conduct inquiry with key individuals within the ALAMEDA CTC who are responsible for executing the ALAMEDA CTC's strategic plan.
- Obtain an understanding of the entity's internal controls. CONSULTANT will refer to the ALAMEDA CTC's organizational charts, written policies and procedures financial accounting systems to assist with their understanding of internal controls. CONSUTLANT will also perform inquiry, observation, inspection and walk-throughs of key internal controls to ensure these key controls are properly designed and implemented.
- Preliminary analytical review, determination of preliminary materiality levels.
- Analysis of known misstatements, if any.
- Consideration of risk of material misstatement at the individual account balance, class of transactions and disclosure level.
- Assessing the risks of material misstatement at both the financial statement and relevant assertion levels.

- Assess the risk of material noncompliance with laws and regulations that have a direct and material effect on the financial statements.

**Stage 3: Preparation of the overall audit plan**

Once the planning and risk assessment process are complete CONSULTANT will prepare an overall audit plan. The plan will specify each audit task, staffing assignments, timelines, and due dates. The plan will also break down the work assignments between interim and final audit timelines. The audit plan will include the transaction cycles which have been selected for internal control testing and those for which only the detailed walk through will be performed.

Once the audit plan has been completed, the prepared by client (PBC) requirements and the responsibilities of the auditor document will be prepared and/or updated. The document listing will be detailed by specific task and will include the due dates and names of the persons responsible for each task.

CONSULTANT will also prepare the preliminary materiality guidelines, the audit programs, including consideration of:

- Identification of areas where special audit considerations are necessary.
- Design of further audit procedures to reduce risk if considered necessary.
- The development of expectations for analytical procedures, timelines, and assignment of all audit responsibilities.

Once these tasks have been completed CONSULTANT will meet with the ALAMEDA CTC to ensure that all dates and requirements have been met and to schedule the interim and final work with the various departments and agencies of the ALAMEDA CTC.

**Stage 4: the Interim Audit**

The specific dates will be determined during the planning meeting and preparation of the audit plan process. CONSULTANT's interim work will include the following:

1. CONSULTANT will obtain an understanding of the ALAMEDA CTC's internal control structure starting with:
  - Defining the ALAMEDA CTC's objectives and strategies and related business risks.
  - Obtaining an understanding of the ALAMEDA CTC's internal control environment (tone at the top):
    - Communication and enforcement of integrity and ethical values
    - Commitment to competence
    - Participation of those charged with governance
    - Management's philosophy and operation style
    - Organizational structure
    - Assignment of authority and responsibility
    - Human resource policies and practices
  - ALAMEDA CTC's risk assessment process
  - Internal control communication process



- Internal control monitoring process
  - Any industry, regulatory or other factors
2. This understanding will be accomplished through the use of:
- Inquiry of management and others within the ALAMEDA CTC
  - Observation and inspection
  - Review of external information from rating agencies, and other external sources
3. CONSULTANT will also obtain an understanding of the design and implementation of the financial reporting system to understand the flow of information for:
- Each class of transactions that is significant to the financial statements.
  - The procedures within both automated and manual systems, by which those transactions are initiated, authorized, recorded, processed, and reported in the financial statements.
  - The related accounting records, whether in electronic or manual supporting information, and specific accounts in the financial statements involved in initiating, authorizing, recording, processing and reporting transactions.
  - How the information systems captures events and conditions other than classes of transactions that are significant to the financial statements.
  - The financial reporting process used to prepare the ALAMEDA CTC's financial statements, including significant accounting estimates and disclosures.

CONSULTANT's focus will also involve:

- Understanding and documenting the financial reporting process.
- Documenting information systems and related computerized data processing controls.
- Identifying the flow of information and internal control involved in various key processes including, apportionments and filing fees, procurement and disbursements (contract services), and financial reporting. To accomplish these tasks CONSULTANT will use client accounting manuals, inquiry, observation, checklists and internal control questionnaires. During the interim timeframe each of the significant internal control systems will be evaluated to obtain sufficient knowledge of the design and implementation of key controls and to determine if a test of controls will result in audit efficiencies.
- Identifying laws and regulations that are applicable to the ALAMEDA CTC. To accomplish these tasks CONSULTANT will use client documents, inquiry, observation, checklists and internal control questionnaires.
- Providing the parameters required to commence analyzing financial fluctuations in the operating results of the ALAMEDA CTC.
- Formulating audit procedures and related audit programs that will be used during the final segment of the audit process.
- CONSULTANT will use statistical sampling to assist with their testing of the ALAMEDA CTC's internal controls over financial reporting and compliance. Sample sizes can range between 20 and 60, contingent upon the risk of material misstatement for a particular audit area or objective.

Testing the effectiveness of internal controls will be accomplished for the significant internal controls systems for which CONSULTANT's plan to place reliance. To gain efficiencies CONSULTANT's control testing will be structured so that it can be used for each of the audits performed.

Other areas to be completed at the interim audit include SAS No. 99 interviews and documentation.

CONSULTANT shall discuss workable solutions for potential findings that have been identified and communicated to the ALAMEDA CTC during the audit process

#### **Stage 5: The Final Audit**

CONSULTANT will commence final fieldwork as soon as the ALAMEDA CTC has sufficiently closed its accounting records. CONSULTANT expects final fieldwork to take place during August/September.

During this phase, CONSULTANT will perform substantive audit procedures on the year-end statement of net assets and fund balances, revenue and expenditure/expense accounts. CONSULTANT will use a variety of audit procedures which may include outside confirmations, statistical sampling, and detailed testing of schedules, analytical review, inquiry, and observation.

#### **Stage 6: The Reporting Phase**

At the end of the audit process CONSULTANT will meet with key ALAMEDA CTC staff to cover the following:

- Discuss improvements for subsequent years audit plan
- Meet with the appropriate level of management to present the results of the audit
- Communicate with those charged with Governance.

#### **The Single Audit**

CONSULTANT will use the audit plan methodology as previously noted.

CONSULTANT will obtain an understanding of the ALAMEDA CTC's procedures for compiling the Schedule of Expenditures of Federal Awards (SEFA). CONSULTANT will use the prior three years of single audits to assist in the determination of the June 30, 2012 major programs.

A risk assessment will be performed in accordance with OMB Circular A-133.

Each applicable compliance requirements of the major programs will be tested as required by OMB Circular A-133. These include testing of the required internal control systems and compliance testing of the applicable 14 compliance requirements as summarized in the single audit compliance supplements.

The final phase of the single audit involves the audit of the Schedule of Federal Financial Assistance (SEFA) and the preparation of the Data Collection Form.

#### **The Limitation Worksheet**

CONSULTANT will use the audit plan methodology as previously noted. The balances (Revenue and Expenditures) will have been audited as part of the other ALAMEDA CTC financial audits. During the final phase of the audit, CONSULTANT will calculate the required ratios and provide an opinion on the compliance of the balances and the ratios.

### **Management letters**

The results of CONSULTANT's understanding of internal control serve as a basis for their recommendations to management. CONSULTANT also considers any weaknesses noted during their substantive testing and other audit procedures. Upon completion of the audit, the findings and recommendations that CONSULTANT considers to be of value to ALAMEDA CTC shall be summarized and presented as management comments.

CONSULTANT shall meet with management to discuss these comments prior to finalizing the letter to ensure that CONSULTANT's management letter will contain no surprises. The purpose of the management comments is to direct ALAMEDA CTC's attention to:

- Significant deficiencies and material weaknesses (if any) identified during the course of the audit. Statement on Auditing Standards, Number 115 requires written communication to management and those charged with governance, of significant deficiencies or material weaknesses, identified during the audit.
- Other matters that CONSULTANT believes to be of potential benefit to the management of the ALAMEDA CTC, such as recommendations for operational or administrative efficiency, or for improving existing internal controls.

### ***TASK 1: PREPARATION OF AUDIT REPORTS FOR ACTIA FOR THE PERIOD JULY, 1, 2011 THROUGH TERMINATION***

- A. Preparation of General Purpose Financial Statements for ACTIA, presenting the financial statements for major funds and related footnotes.
- B. Preparation of the Single Audit Report, if required, along with the Schedule of Expenditures of Federal Awards and related notes.
- C. Preparation of Management Letter covering required communications including internal controls and other recommendations, if any.
- D. Preparation of an opinion as to compliance with requirements on ACTIA's Limitation Worksheet.

### ***TASK 2: PREPARATION OF AUDIT REPORTS FOR ACCMA FOR THE PERIOD JULY, 1, 2011 THROUGH TERMINATION***

- A. Preparation of General Purpose Financial Statements for ACCMA, presenting the financial statements for major funds and related footnotes.
- B. Preparation of the Single Audit Report along with the Schedule of Expenditures of Federal Awards and related notes.
- C. Preparation of Management Letter covering required communications including internal controls and other recommendations, if any.

### ***TASK 3: PREPARATION OF AUDIT REPORTS FOR ALAMEDA CTC FOR FISCAL YEARS 2012, 2013 AND 2014***

- A. Preparation of General Purpose Financial Statements for ALAMEDA CTC, presenting the financial statements for major funds and related footnotes.
- B. Preparation of the Single Audit Report along with the Schedule of Expenditures of Federal Awards and related notes.
- C. Preparation of Management Letter covering required communications including internal controls and other recommendations, if any.
- D. Preparation of an opinion as to compliance with requirements on the Limitation Worksheet with respect to ACTIA Measure B funds.

***TASK 4: PREPARATION OF AUDIT REPORTS FOR THE SUNOL SMART CARPOOL LANE JOINT POWERS  
AUTHORITY FOR FISCAL YEARS 2012, 2013 AND 2014***

- A. Preparation of General Purpose Financial Statements for ALAMEDA CTC, presenting the financial statements for major funds and related footnotes.
- B. Preparation of Management Letter covering required communications including internal controls and other recommendations, if any.

**APPENDIX A**

**SUPPLEMENTAL SCOPE**

**Task 5: Preparation of Audit Reports for Alameda CTC for fiscal year 2015**

**Task 6: Preparation of Audit Reports for Alameda CTC for fiscal year 2016**

- A. Preparation of General Purpose Financial Statements for Alameda CTC, presenting the financial statements for major funds and related footnotes.
- B. Preparation of the Single Audit Report along with the Schedule of Expenditures of Federal Awards and related notes.
- C. Preparation of Management Letter covering required communications including internal controls and other recommendations, if any.
- D. Preparation of an opinion as to compliance with requirements on the Limitation Worksheet with respect to Measure B and Measure BB funds.

**Task 7: Preparation of Audit Reports for the Sunol Smart Carpool Lane Joint Powers Authority for fiscal year 2015**

**Task 8: Preparation of Audit Reports for the Sunol Smart Carpool Lane Joint Powers Authority for fiscal year 2016**

- A. Preparation of General Purpose Financial Statements for Sunol JPA, presenting the financial statements for major funds and related footnotes.
- B. Preparation of Management Letter covering required communications including internal controls and other recommendations, if any.



# Citizens Watchdog Committee

## Pre-Audit Subcommittee Meeting Minutes

### Monday, June 16, 2014, 4:00 p.m.

11.2

1111 Broadway, Suite 800, Oakland, CA 94607

510.208.7400

www.AlamedaCTC.org

At the June 9, 2014 Citizens Watchdog Committee (CWC) meeting, committee members established an audit subcommittee to meet with Alameda CTC's independent auditor and discuss financial issues related to the Alameda County Transportation Commission and Measure B, and the Vavrinek, Trine, Day & Co., LLP (VTD) audit and testing methodology.

On June 16, 2014, the following CWC members and staff met with Alameda CTC's independent auditor, VTD, to discuss these issues.

#### **Attendees:**

- Alameda CTC staff: Patricia Reavey, Director of Finance (stayed for introductions only)
- CWC members: Cynthia Dorsey, Miriam Hawley, James Haussener, James Paxson, Harriette Saunders, and Hale Zukas
- VTD: Nathan Edelman, Ahmad Gharaibeh, and Waheed Sadat

Patricia Reavey began the meeting and informed the committee that the meeting would be between the CWC Audit Subcommittee and VTD only. Ahmad Gharaibeh stated that VTD began compliance testing on June 16, 2014. He noted that VTD will conduct the final phase of the audit in the September timeframe. Ahmad informed the committee that the purpose of the meeting is to receive feedback from the CWC, including if they want VTD to go beyond the standard procedures of the audit.

Ahmad described how VTD is performing the audit in three phases: 1) an interim phase, which allows VTD to understand Alameda CTC's internal controls and to perform a small amount of compliance testing; 2) a final phase, which will allow VTD to provide the final numbers within the trial balance and financial statements and will allow VTD to perform the bulk of the compliance testing; 3) an exit meeting to report the findings and conclusions as to whether the expenses are in compliance with the measure language.

Ahmad noted that even though the Alameda County Congestion Management Agency (ACCMA) and the Alameda County Transportation Improvement Authority (ACTIA) merged, the accounting function, accounting structure, and the display of the financial statements of the general ledger system continue to segregate the former two agencies. The general ledger continues to track the administration-related expenses in a separate general fund and continues to track the capital projects, pass-through monies, and special revenue in the different funds within the general ledger system.

Ahmad stated that VTD gets a detailed description of the invoices and expenses charged to the measure from the general ledger. The auditor selects a high number of items as representative samples of the entire general ledger population. Ahmad highlighted the following tests: Timesheets, vendor-related invoices (including consultant invoices), rent, and capital project invoices. He noted that the CWC had questions and



concerns from the prior audits regarding the tests performed for timesheets and vendor-related invoices. Ahmad stated that as a result of the CWC concerns, VTD is providing more detail.

Questions and comments from the members:

1. Your sample size is based on risk, and Alameda CTC is considered "low risk." How does VTD translate the risk to the sample size used for testing?

Ahmad said that VTD uses American Institute of CPAs (AICPA) guidelines on sampling. He said that the general fund administration-related charges have been evaluated as "high risk" to ensure the audit catches everything. VTD places an emphasis on these types of charges, because of the number of questions in the past. He stated that VTD tests approximately 60 percent of expenses charged to the general fund, based on the AICPA guidelines.

2. What will VTD do differently, since the agencies merged?

Ahmad stated that the detailed accounting of the different funds of ACCMA and ACTIA continues to be the same before the merger occurred. On the financial statement, all items are consolidated under the Alameda CTC; however, on the general ledger, the detail continues to be segregated.

3. Are you doing anything differently this year based on anything you encountered last year?

Ahmad said yes. When the audit was presented to the full CWC, a question was asked about the allocation of time to the payroll. VTD is addressing this now.

4. How long is each phase of the audit?

Ahmad answered as follows:

- The interim phase is for two weeks in June.
- The final phase is for three weeks in late August through mid-September, when the financial statement and trial balance are closed. The agency does due diligence.
- The exit meeting will occur in the December timeframe

5. Are any of the VTD staff performing the actual audit new?

Ahmad answered as follows:

- Nathan Edelman is in charge of the audit for the Golden Gate Bridge, Highway and Transportation District.
- The team has been with Alameda CTC since its inception.
- Waheed Sadat has been with VTD for three years and is familiar with agencies dealing with tax measures, such as Santa Clara Valley Transportation Authority (VTA) and Solano Transportation Authority.

6. Has VTD done internal control procedures or policies on risk assessment?

Ahmad stated that this is VTD's second year subsequent to the Alameda CTC merger. In meeting with management, Alameda CTC has not made significant

changes on how things are processed. VTD will repeat what has been done and verify that proper segregation of functions and duties continue to be in effect.

7. When does VTD do risk assessment? Could you please clarify this?

Ahmad stated that if industry-related changes occur, VTD will assess these changes prior to coming onsite. VTD must speak with Alameda CTC management and perform the interim audit to assess the risk.

8. Is there any change to VTD criteria for materiality?

Ahmad said not necessarily. He stated that VTD will look at the materiality for the bonds, because they are Measure B. The bonds are an additional funding source, and he said Measure B will pay the annual principal. Therefore, VTD will place an emphasis on this item, because much more funding is available.

9. The bonds are of interest, because the revenue stream from the Board of Equalization (BOE) goes to a third party. The CWC wants to make sure that the funds from the third party flow accurately and timely. Will VTD audit the third-party controls?

Ahmad said that while the BOE funds go to a third party, they get deposited into a bank. Alameda CTC is tracking the revenue. VTD will confirm with the state the amount of the total sales tax revenue and will confirm the trustee account shows this revenue.

10. When the trustee receives the money, does the interest go into a different account?

VTD will confirm that the sales tax is recorded and accounted for. VTD will look at the agreements between Alameda CTC and the bank for the interest requirements and rate. VTD will test the interest revenue and ensure it is calculated properly.

11. Will VTD look at the internal controls with the accounting department to ensure Alameda CTC is tracking the trustee? What is Alameda CTC's internal control for the trustee?

Ahmad said yes, the audit will review the internal controls. Ahmad said that the VTA has the same arrangement as Alameda CTC in terms of the trustee.

12. Does the trustee have proper internal controls?

Ahmad said that testing what the state is providing the trustee and reviewing Alameda CTC's tracking method is the best way to determine if 100 percent of the funds are accounted for.

13. Is there any difference of the audit scope for this year versus for the last three years?

Ahmad said VTD places an emphasis on something new every year. In some years, VTD will emphasize investments or cash. This year, VTD has not considered where to place the emphasis. Ahmad stated that VTD will place significant emphasis on Measure B compliance.

14. Last year, the CWC Audit Subcommittee talked about personnel, including timesheets, etc.; this year the subcommittee is interested in contracts.
15. The categories on the budget changed substantially. This year, the categories are smaller. Is management appropriately charging the correct account? The CWC requests that VTD place an emphasis on this during the audit.
16. Is management's approach in dividing charges correct for rent, payroll, and legal services? The CWC subcommittee requests VTD place an emphasis on this during the audit.
17. Is VTD anticipating any problems?

Ahmad said no. Management has been very cooperative in providing information to VTD for the audit.

18. What testing does VTD do with the agencies regarding the Master Programs Funding Agreements with the timely and appropriate use of money?

Ahmad mentioned that the fund recipients are auditing their funds. The recipients are not required to submit invoices. Nathan Edelman said that VTD looks at the money in terms of the agreement and confirms that the calculation is correct.

19. Regarding the amount of interest that the agencies are collecting, are the agencies appropriately providing the correct amount of interest back? The subcommittee stated that they want VTD to test the compliance with the MPFAs.

#### **Next steps:**

Ahmad recapped the following requests that the CWC Audit Subcommittee wants VTD to address at the next meeting:

- MPFAs:
  - Ensure that the interest is properly calculated and allocated to the reserve funds that represent Measure B funds.
  - Ensure the MPFA agreements stipulate language in compliance with Measure B requirements.
  - Look at audit reports submitted by the agencies to ensure the audit reports do not note exceptions.
  - Ensure the agencies meet requirements for timely use of funds and include detail on the process for timely use of funds and the spend-down plan.
- Review/test the allocation of charges between the general fund and other funds.
- Ensure that charges on the budget go to the proper category. The categories on the budget are smaller than usual.
- Ensure that contracts and invoices are in compliance with Measure B.
- Ensure that interest is properly accounted for in the trustee statements.
- Confirm deposits of sales tax revenue from the BOE into the trustee account.



# Citizens Watchdog Committee Post-Audit Subcommittee Meeting Minutes Monday, September 22, 2014, 3:30 p.m.

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

On June 16, 2014, the Citizens Watchdog Committee (CWC) Audit Subcommittee met with the Alameda County Transportation Commission (Alameda CTC) independent auditor, Vavrinek, Trine, Day & Co., LLP (VTD), to discuss financial issues related to the Alameda CTC and Measure B, and VTD's audit and testing methodology.

On September 22, 2014, the following CWC members and staff met with Alameda CTC's independent auditor, VTD, to follow up on concerns expressed in the June meeting.

## **Attendees:**

- Alameda CTC staff: Arthur L. Dao, Alameda CTC Executive Director; Patricia Reavey, Director of Finance
- CWC members: James Paxson and Harriette Saunders
- VTD: Ahmad Gharaibeh

The meeting began with the VTD Auditor, Ahmad Gharaibeh, providing an update on the scope of the audit performed. He mentioned that testing occurred on invoice-related expenses, General Fund-related expenses, payroll-related expenses, and \$10s of millions of vouching was performed in order to answer CWC concerns. Ahmad noted that testing was in compliance, and the allocations were proper.

Ahmad clarified the definition of high risk and low risk in an audit. He stated that whether the risk is high or low, the risk determines the percentage of coverage of the charges for a particular area that the committee asked VTD to test. The term "high risk" emphasizes that the CWC audit subcommittee requested VTD to place an emphasis on a particular area of the audit.

The committee inquired who at Alameda CTC has the ability to make and post journal entries in the accounting software. Staff stated that the director of finance, accounting manager, and senior accountant have the ability to post entries. The director of finance approves the accounting manager's entries, and the accounting manager approves the senior accountant's entries. Ahmad stated that as part of the financial audit, VTD tested 60 journal entries and made sure every entry sampled was supported by proper documentation, and two signatures were on each.

Staff informed the subcommittee that the discussion would center on the items listed under next steps from the June 16, 2014 Pre-Audit Subcommittee meeting notes:

1. Master Programs Funding Agreements (MPFAs):  
The items that follow are related to questions 18 and 19 from the members.
  - a. Ensure that the interest is properly calculated and allocated to the reserve funds that represent Measure B funds.

Ahmad stated that 20 agencies submitted audited financial statements to Alameda CTC. He noted that all agencies tracked their expenses using fund accounting, which is an accounting system emphasizing accountability rather than profitability and used by nonprofit organizations and governments. The agencies submitted financial statements to Alameda CTC that included the carry-over balances, which were calculated properly.

Going forward, Alameda CTC will tie the subsequent financial balance for beginning fund balances with the prior year. Ahmad informed the committee that some agencies aggregated the interest revenue into one line item on the financial statements; therefore, the information is difficult to audit. VTD followed up with staff regarding this problem and was informed that the agencies were notified at the September 10, 2014 Compliance Workshop to make sure that their interest revenue and the Governmental Accounting Standard Board (GASB) 31 adjustments appear in separate line items on the financial statements going forward.

Ahmad concluded that for the agencies that aggregated the interest revenue, VTD could not verify the proper calculation, and for the agencies that reported the interest revenues in a separate line item, the information looked to be reasonable and properly calculated. Staff stated that Alameda CTC is requiring the agencies to fix the issues going forward and to ensure interest revenue appears on a separate line item from GASB 31 adjustments, so the agencies' auditors will be able to audit the information.

The committee asked how Alameda CTC will tie the carry-over balances for this year if the interest amount is unknown. Staff stated that the agencies tell us the interest; however, we do not have the ability to verify this information.

- b. Ensure MPFA agreements stipulate language in compliance with Measure B requirements.

Ahmad said that one of the questions for compliance is to determine if the agencies' expenditures of Measure B funds are in compliance with their funding agreement. VTD reviewed 20 MPFAs, and Alameda CTC has a memorandum of understanding with the cities that specifies what the cities must spend the money on. The agreements must be in compliance with Measure B. VTD looked at the agreements and compared them to the Measure B 2000 Transportation Expenditure Plan language and noted that the language was in agreement with Measure B.

- c. Look at audit reports submitted by agencies to ensure the audit reports do not note exceptions.

Ahmad said the audit reports did not indicate any exceptions.

- d. Ensure the agencies meet requirements for timely use of funds and include detail on the process for timely use of funds and the spend-down plan.

Ahmad said the cities submitted an outline, and one item was a table that shows the carry-over balances. VTD said the auditors reviewed the final reports on the Alameda CTC website and ensured staff followed up with the cities in regards to the carry-over fund balances. Ahmad will speak with staff regarding the spend-down requirements and percentages the agencies must spend over a three-year period. VTD will research further detail on the carry-over balances and bring back a response to the committee.

2. Review/test the allocation of charges between the general fund and other funds.

Ahmad stated that VTD performs this standard test every year. VTD tested 70 to 80 percent of general fund expenses and \$40 to \$50 million of Measure B capital expenses. VTD confirmed legal, rent, media consultant, and payroll expenditures; reviewed the allocations; and confirmed the allocations were proper between Alameda County Congestion Management Agency, Alameda County Transportation Authority, and Alameda County Transportation Improvement Authority. VTD looked at the reasonableness of signed timesheets and invoices charged to different funds to ensure allocations were proper. VTD reviewed the capital projects invoices and compared them to the Measure B ballot language to confirm compliance.

3. Ensure that charges on the budget go to the proper category. The categories on the budget are smaller than usual.

Ahmad said that the auditors tested actual cash payments and cash receipts, things that already occurred. Budgets inform expectations and management decisions. This item is outside of the scope of the audit.

4. Ensure that contracts and invoices are in compliance with Measure B. The response to this item is covered above in 2.

The below follow-up items are related to questions 9, 10, 11, and 12 from the members.

5. Ensure that interest is properly accounted for in the trustee statements.

Ahmad stated that the proceeds from the bonds is \$157 million. Alameda CTC opened new bond trustee accounts with Union Bank and deposited the money into this account. The accounts are accumulating interest and investment income. The auditors traced back the income to Measure B funds. All interest earned related to the proceeds and the cash generated from the proceeds is being properly deposited into the Measure B fund. The auditor confirmed with Union Bank and traced the amount to the Measure B fund financial statements to verify the amount was properly deposited and recorded.

The trustee, Union Bank, is responsible for maintaining custody of securities in the bond fund accounts. VTD requested that Union Bank provide a Statement on Standards for Attestation Engagements (SSAE) 16 Service Organization Control (SOC) 1 and 2 Report which they promptly did provide. These reports provide information relevant to internal control over financial reporting and enable VTD to



perform risk-assessment procedures. VTD confirmed that the interest was properly accounted for in the trustee statements.

6. Confirm deposits of sales tax revenue from the California Board of Equalization (BOE) into the trustee account.

Ahmad explained that the Alameda CTC's share of sales tax revenue goes directly from the BOE to Union Bank, and the trustee deducts the funds required to pay debt-service (if any) from the total and passes the balance through to the Alameda CTC's regular Union Bank account on the same day. The funds withheld by the bank go into Alameda CTC's bond principal or interest fund accounts until it is time to make the debt service payments. VTD accessed the BOE website to confirm the sales tax revenue in aggregate was properly deposited into the escrow accounts and properly rolled forward/back into the Alameda CTC account. In aggregate, the sales tax revenue was correct, and the distribution between the trustee and the general funds or actual funds of Alameda CTC was correct.

**Additional questions and comments:**

- Did VTD go back to the issues raised by the CWC in prior years on allocation of time to the payroll? This inquiry is related to question 3 in the June 16, 2014 Pre-Audit Subcommittee meeting notes. Ahmad said yes VTD did tests regarding timesheets/payroll this year.
- Are there new discoveries on issues regarding internal controls? Were the recommendations related to internal controls made by the auditors last year implemented and resolved? Ahmad said that no new discoveries were found, and the issues found last year were resolved immediately.
- Were new management issues identified this year? No.
- Do you have any new management recommendations? Ahmad said there were no findings this year.
- On the risk assessment, are there any industry-related changes that Alameda CTC needs to address? Ahmad said that VTD will address GASB changes for pension reporting in 2015. Patricia Reavey stated that the Comprehensive Annual Financial Report for the year ended June 30, 2014 will include new GASB pronouncements.
- Regarding bonds, since they are a significant new source of income, will additional testing be performed? Ahmad said that from an audit perspective, the interest earned on the \$157 million has been deposited properly for Measure B.

**Next Steps:**

- Regarding MPFA's timely use of funds requirement, VTD will follow up with staff to gain a better understanding of the spend-down requirements and percentages the agencies must spend over a three-year period and bring back a response to the committee at a later date regarding more detail on the process and if the agencies met the requirements.



## Citizens Watchdog Committee Audit Subcommittee Meeting Minutes Monday, October 20, 2014, 3:30 p.m.

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

On October 20, 2014, the following CWC members and staff met with Alameda CTC's independent auditor, Vavrinek, Trine, Day & Co. (VTD), to discuss the Draft Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2014.

### **Attendees:**

- Alameda CTC staff: Arthur L. Dao, Alameda CTC Executive Director; Patricia Reavey, Director of Finance
- CWC members: Cynthia Dorsey, James Paxson, and Harriette Saunders
- VTD staff: Ahmad Gharaibeh

James Paxson requested VTD Auditor Ahmad Gharaibeh provide a more in-depth walk through of the CAFR this year because of the proceeds from the bonds. Ahmad reviewed the draft CAFR and noted that the report consists of multiple components as required by the Governmental Accounting Standard Board and from the Government Finance Officers Association. From a financial and CWC perspective Ahmad reviewed the following:

- The basic financial statement, which shows cash coming in, revenue, sales tax, and the division between the former Alameda County Transportation Improvement Authority (ACTIA), former Alameda County Congestion Management Agency (ACCMA), and former Alameda County Transportation Authority (ACTA). He also reviewed the limitations worksheet.
- The structure and components of the CAFR
- Measure B compliance including the cap of 4.5 percent to administer the sales tax program

Ahmad stated that VTD verified that the bond proceeds were properly deposited in appropriate Measure B fund accounts.

Questions from the members and responses from the auditor and staff:

1. Is the bond interest fund designed to pay for interest on the bonds in the first four years of issuance? Patricia Reavey stated that the \$20 million in the Debt Service Fund within the "Non-major Governmental Funds" category is required to be spent on debt service only per our enabling legislation, these funds came from the premium received on the sale of the bonds; however, due to the structure of these bonds the funds will be spent on almost four years of interest only on the bonds before it is depleted..
2. Did VTD test the allocations between the different agencies (ACTIA, ACTA, and ACCMA) and are the allocations to administration correct? Ahmad stated that

VTD performed testing on a large majority of "Admin Expenses" (details on page 54).

3. The committee requested VTD confirm the difference between the Public Utilities Commission (PUC) 180109 requirement and the Measure B requirement. VTD confirmed that the Measure B requirements are that administration costs can't be more than 4.5 percent of net sales tax proceeds and administrative salaries and benefits can't be more than percent of the net sales tax proceeds, and the PUC requirement is that salaries and benefits can't be more than 1 percent of total revenues or funds generated including investment income.
4. The committee inquired if the debt service fund on page 56 has its own bank account. Staff and VTD stated yes. Staff said that within the trustee accounts separate accounts exist for project funds, interest, and principal. All debt service funds are accumulated separately.
5. Is Alameda CTC is required to spend down the debt service monies first? Staff stated that for we are required to spend down at least 85 percent of bond proceeds within three years. Alameda CTC will use the premium funds deposited into the interest fund to pay interest for over three years until it is used up and then will use sales tax revenue to pay the debt service and will use bond proceeds deposited in the projects fund to fund the projects.
6. Are there projects to complete whether or not Measure BB passes? Staff stated yes.
7. Does the CAFR show the spend-down amount of the bond proceeds? Staff said that information is not available in the CAFR; however, finance tracks the spend-down amount and reconciles that against the cashflow projected when the bonds were issued.
8. Where on the financial statement are the spend-down amounts from bond proceeds? How do you determine which are bond dollars versus sales tax dollars? Staff said that you can't see the amount spent from bond proceeds on the financial statements. Bond funds are spent on the eligible project as incurred and must be spent in the first three years.
9. The committee confirmed that the Special Revenue Fund consists of direct local distributions and discretionary funds.
10. Why is ACTA not in the General Fund? Patricia stated that ACTA charges are included in Capital Projects. Is administration included in ACTA Capital Projects? See the response to item 11 below.
11. What does the General Fund include? Patricia stated that the General Fund includes rent, moving expenses, consultant fees, legal fees, etc. She provided the breakdown of the administration expense for shared administration costs: 50 percent is charged to ACCMA; 37.5 percent is charged to ACTIA; and 12.5 percent is charged to ACTA Capital Projects.

For ACTA, salary and expenses for professional services are considered project management costs. ACTIA sets aside 4.5 percent for administrative expenses.

12. When ACTA goes away completely, where will administrative costs allocation go? Patricia said Alameda CTC will reassess the allocation at that time.
13. When Measure BB passes, will you have another column on the financial statements? Yes.
14. What are the active ACTA Capital Projects? Staff will provide this to the committee. Will ACTIA sunset completely by 2022? The current projection is to complete the projects by 2022; however, if cash remains, the Commission will have the task of allocating the funds.
15. At the June 16, 2014 CWC Pre-Audit Committee meeting, CWC requested that VTD test the compliance reports submitted by the Direct Local Distribution recipients of Measure B funds to ensure the timely use of funds policy requirements were met, and staff followed up with recipients who had issues in this area.

Ahmad stated that VTD reviewed the Master Program Funding Agreement Timely Use of Funds Policy, which requires the agencies to spend the funds within four years. The agencies are also required to spend their operating reserves within one year after the funds are awarded. VTD noticed that three agencies did not spend the funds on time, and Alameda CTC requested the Commission extend the timeline for those agencies. Staff will track and ensure the funds are spent within the extended period.

16. The 4.5 percent of sales tax revenues designated for administration goes into the general fund and is allocated based on the monthly sales tax revenue collections. What happens with the unspent surplus? Patricia said that the remaining fund balance accumulates as a fund balance reserve based on the fund balance reserve policy approved by the Commission. What is the policy for using the General Fund balance? Patricia said there is guidance in the Transportation Expenditure Plan that specifies what to do with funds available once Measure B expires and all Measure B projects have been completed.
17. Does the Commission intend to set a policy on how to spend the excess General Fund balance? The Commission has adopted a fund balance reserve policy which has fund balance goals designed to mitigate risk which the agency has not yet met. If the agency surpasses the fund balance reserve policy goals, the Commission may want to start thinking about a plan for excess fund balance. We are not at that point yet.
18. Is the 4.5 percent administrative cap cumulative or annual? Ahmad said it goes back to Measure B language. The committee requested VTD look up the language.

19. Does the sales tax revenue go to ACCMA projects? Patricia said no. She stated that there is Measure B funding in some ACCMA projects; however, ACCMA receives funding on a reimbursement basis and bills ACTIA for expenditures just like any other Measure B project authorized in the Transportation Expenditure Plan.
20. The capital assets furniture expenses went up as well as the lease hold improvements. The committee requested an explanation. Patricia said Alameda CTC purchased new furniture and built out the new floor before moving in September 2013.
21. The committee knows VTD verified that the sales tax revenues are properly deposited into the trustee accounts by the Board of Equalization (BOE), and the trustee deducts the funds required to pay debt-service from the total and passes the balance through to the Alameda CTC's regular account on the same day; however, how does Alameda CTC know if the amount received by the trustee is correct and if the amount deposited in Alameda CTC's account is also correct? Patricia informed the committee that staff accesses the BOE website to confirm the expected sales tax revenue amount that goes to the trustee. Monthly, the trustee is required to takes off the top one-twelfth of the annual principle payment and one-sixth of the semi-annual interest payment to bond holders if the funds are not already available in the account. Alameda CTC has been working closely with the trustee to ensure the correct amount is deposited into ACTIA's regular account on the same day funds are received from the BOE.

Next steps:

- VTD will refer to the Transportation Expenditure Plan and follow up on if the calculation of the administration percentage is cumulative or on an annual basis.
- Alameda CTC will provide CWC members with a list of active ACTA capital projects.

June 17, 2015

12.2

Jason Bezis  
3661-B Mosswood Drive  
Lafayette, California 94549-3509

Re: ACTC Citizens Watchdog Committee Matters

Dear Mr. Bezis:

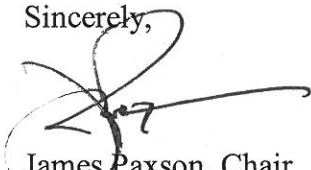
I am writing in response to your recent phone message regarding the matters you brought before the ACTC Citizens Watchdog Committee. Your message outlined a number of points of concern which I would like to address.

At our meeting on January 12, 2015, our committee heard from you on a number of items and were also briefed on the communication that you had addressed to ACTC staff over the weeks prior to the meeting. As I noted during your presentation, some of the concerns that you raised fell outside of the purview of our committee and could not be the subject of our consideration. However, as you will recall, our committee, following your presentation at the meeting, was advised on two points in relation to the items that were within our purview. First, that additional details on these matters would be brought back as information items to the following meeting. Second, that any committee member could undertake their own, independent review of these matters and/or request that they be the subject of special investigation through our Ad Hoc Committee process.

Additional information on the matters you raised was brought back to the committee at their meeting on March 9, 2015. It was reiterated at that meeting that the committee had the ability to both request and/or independently develop additional information, and/or request the formation of an Ad Hoc Committee to focus on any or all of the matters you had addressed. Following the discussion held at that meeting, no such interest was expressed.

I want to assure you that the ACTC Citizens Watchdog Committee is committed to a fair, open and transparent process in the performance of all of the committee's functions. Toward that end, I would invite you to feel free to address the committee at one of our regularly scheduled meetings. You may also forward items that you wish brought to the committee's attention in writing by directing them to the committee using the address below.

Sincerely,



James Paxson, Chair  
ACTC Citizens Watchdog Committee  
1111 Broadway  
Suite 800  
Oakland, California 94607

cc: Art Dao  
Tess Lengyel  
Patricia Reavey  
ACTC Citizens Watchdog Committee Members



***This page intentionally left blank***

## **Independent Watchdog Committee Issues Identification Process**

### **Summary**

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

### **IWC Responsibilities**

The Independent 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 IWC 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 IWC are to report to the public and make recommendations to the Alameda CTC staff and Board. To this end, the tasks for the IWC 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.

## IWC Issues Identification Process

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

1. Issues that are raised by IWC 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 IWC.
2. Before calling on a sponsor to appear, IWC members must submit a "IWC Issues Form" (attached) to the IWC chair or vice-chair for placement on the agenda at the next IWC meeting.
3. IWC members may also submit IWC 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 IWC must approve issues identified in a IWC Issues Form to address in further detail by an affirmative vote.
5. IWC members may form an ad-hoc subcommittee to draft IWC 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 IWC.
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 IWC (not inclusive)**

- Adopted Measure B Expenditure Plan (blue book)
- Up-to-date list of project/program sponsors contacts
- Alameda ITC staff responsible for oversight of the project/program
- Information about public hearings, recent discussions, or news clippings provided by Alameda CTC staff to the IWC by mail or at meetings
- Other Alameda ITC 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 ITC 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?")

**INDEPENDENT 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 IWC 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 IWC 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 IWC 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)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**PROJECT:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PROGRAM:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**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.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



October 23, 2014

Mr. David Armijo, General Manager  
Alameda-Contra Costa Transit District  
1600 Franklin Street, 10 Flr  
Oakland, CA 94612

**Subject: Citizens Watchdog Committee Oversight of Measure B Projects and Programs**

Dear Mr. Armijo:

Since 2002, the Alameda County Transportation Commission (Alameda CTC) Citizens Watchdog Committee (CWC) has been meeting to review all expenditures on Measure B funds as required by the voter-approved *Measure B 2000 Expenditure Plan*. Each year, the CWC scrutinizes all Measure B expenditures and reports directly to the public on its findings.

As required by Alameda CTC master contracts for Measure B funds, your city must include notification of all public meetings regarding projects and programs your city sponsors to any and all CWC members who have signed up to “watch” your projects or programs. As required by Measure B, this allows individual CWC members from the area sponsoring the project to become more familiar with the issues involved and to bring this information back to the full Citizens Watchdog Committee.

Please directly notify the CWC members (either by email or U.S. Mail if requested) who watch your projects and programs (see Attachment A) at least 72 hours in advance of any public meetings where they are discussed. Note that CWC members receive agendas of upcoming public meetings; however, these do not always specify which agenda items are related to Measure B. Please be specific in the information you provide to the CWC members by noting which Measure B project or program is on the agenda and which agenda item it is.

We hope this public process of ongoing project and program review will reduce the number of formal requests for additional information by CWC members. Attachment A lists the projects and programs the CWC members watch. Attachment B is a roster with email addresses for each CWC member. Below is a link to the full *Citizens Watchdog Committee 12th Annual Report to the Public*: <http://www.AlamedaCTC.org/CWC2014Report>.

Sincerely,

James Paxson, Citizen Watchdog Committee Chair

Enclosures: Attachment A, CWC Watch List; Attachment B, CWC Roster

cc: ARTHUR L. DAO, Alameda CTC Executive Director  
Raj Murthy, Alameda CTC Project Controls Team  
Lewis Clinton, AC Transit Chief Finance Officer  
Barbara Daniels, AC Transit Executive Administrative Assistant



***This page intentionally left blank***

**Alameda County Transportation Commission**  
**Independent Watchdog Committee**  
**Roster - Fiscal Year 2015-2016**

13.2

	Title	Last	First	City	Appointed By	Term Began	Re-apptmt.	Term Expires	Mtgs Missed Since July '15*
1	Ms.	Taylor, Vice Chair	Deborah	Oakland	Alameda County Supervisor Wilma Chan, D-3	Jan-13		Jan-15	0
2	Ms.	Brown	Cheryl	Oakland	Alameda Labor Council (AFL-CIO)	Apr-15		Apr-17	0
3	Ms.	Dorsey	Cynthia	Oakland	Alameda County Mayors' Conference, D-5	Jan-14		Jan-16	0
4	Ms.	Hamlat	Sandra	Oakland	Bike East Bay	Apr-13		N/A	0
5	Mr.	Hastings	Herb	Dublin	Paratransit Advisory and Planning Committee	Jul-14		N/A	0
6	Ms.	Hawley	Miriam	Berkeley	League of Women Voters	Apr-14		N/A	0
7	Mr.	Jones	Steven	Dublin	Alameda County Mayors' Conference, D-1	Dec-12	Jan-15	Jan-17	0
8	Mr.	Lester	Brian	Pleasanton	Alameda County Supervisor Scott Haggerty, D-1	Sep-13		Sep-15	0
9	Ms.	Lew	Jo Ann	Union City	Alameda County Mayors' Conference, D-2	Oct-07	Sep-13	Sep-15	0
10	Mr.	McCalley	Murphy	Castro Valley	Alameda County Supervisor Nate Miley, D-4	Feb-15		Feb-17	0
11	Mr.	Naté	Glenn	Union City	Alameda County Supervisor Richard Valle, D-2	Jan-15		Jan-17	0
12	Ms.	Piras	Pat	San Lorenzo	Sierra Club	Jan-15		Jan-17	0
13	Ms.	Saunders	Harriette	Alameda	Alameda County Mayors' Conference, D-3	Jul-09	Jul-14	Jul-16	0
14	Mr.	Tucknott	Robert A.	Dublin	Alameda County Mayors' Conference, D-4	Jun-14		Jun-16	0
15	Mr.	Zukas	Hale	Berkeley	Alameda County Supervisor Keith Carson, D-5	Jun-09	May-14	May-16	0

Alameda County Transportation Commission  
Independent Watchdog Committee  
Roster - Fiscal Year 2015-2016

16		Vacancy			Alameda County Taxpayers Association				
17		Vacancy			East Bay Economic Development Alliance				