

23rd Annual Independent Watchdog Committee Report to the Public FY2023-24



Measure B and Measure BB Sales Tax Activities

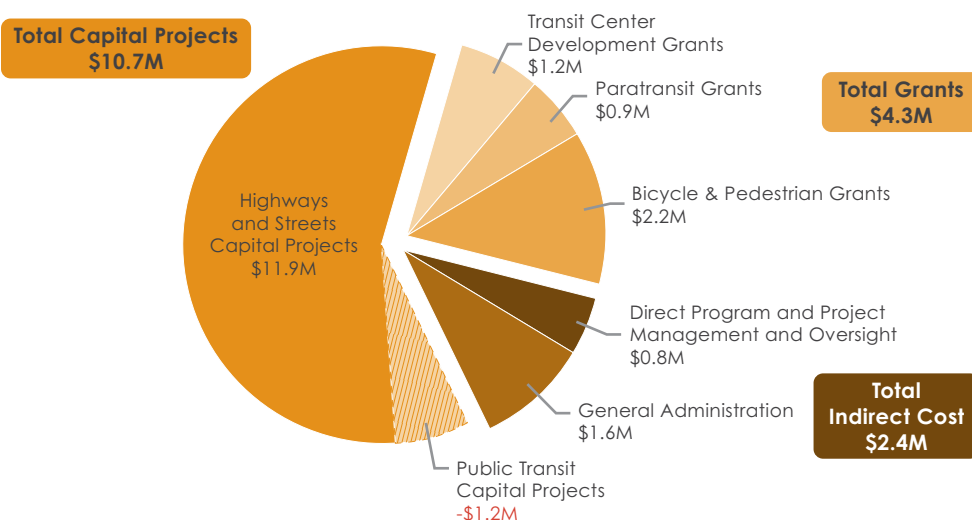
The Independent Watchdog Committee (IWC) reports its findings annually to the public to ensure appropriate use of sales tax funds and provides monitoring and review of Measure B expenditures and Measure BB expenditures and performance measures. **The IWC does not opine on other funds and/or programs that the Alameda CTC manages.**

This 23rd annual report reviews expenditures and IWC activities during the fiscal year July 1, 2023 through June 30, 2024 (FY2023-24). IWC activities include ongoing monitoring of direct local distribution (DLD), discretionary grant program expenditures and capital projects, review of Alameda CTC annual independent audits and DLD recipients'

audits and compliance reports, identification of issues with Measure B and Measure BB expenditures, and development of the IWC annual report to the public.

The full report is available at:
AlamedaCTC.org/IWC2025Report

FY2023-24 Measure B Expenditures



SUMMARY OF Revenues and Expenditures

Alameda CTC is responsible for administering the Measure B and Measure BB transportation sales tax measures. In FY2023-24, Measure B revenues totaled \$1.1 million and audited expenditures totaled \$17.4 million. Measure BB revenues totaled \$382.7 million and audited expenditures totaled \$371.8 million in FY2023-24.

Measure B and Measure BB Funded Programs and Projects

In FY2023-24, Measure B DLD fund recipients reported \$10.1 million in expenditures on programs:

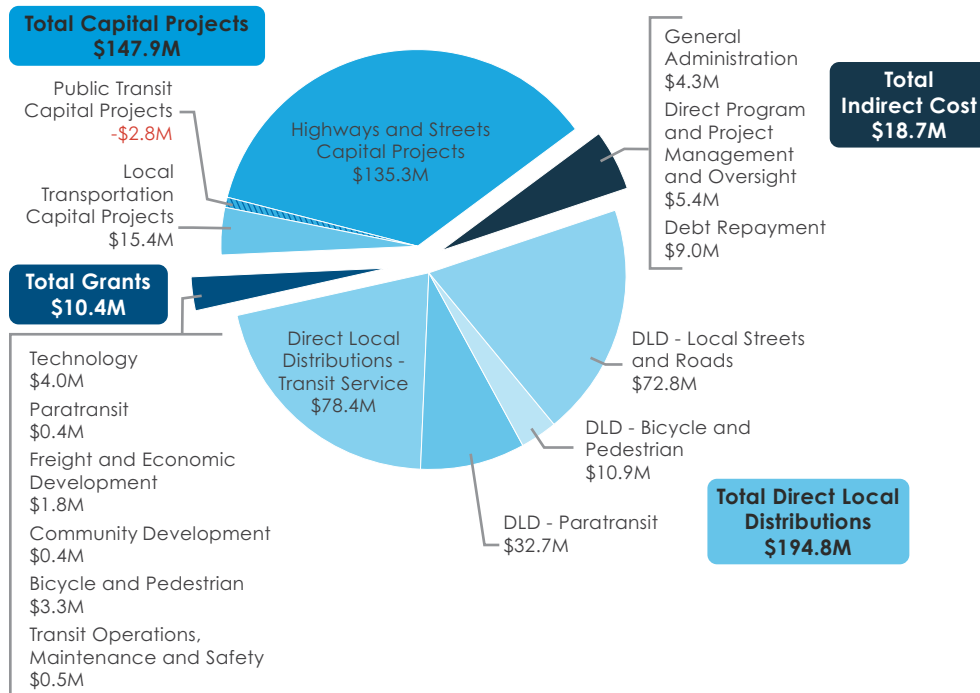
- \$4.9 million on transit
- \$2.9 million on local streets and roads
- \$0.8 million on paratransit
- \$1.5 million on bicycle and pedestrian safety

Measure BB DLD fund recipients reported \$180.7 million in expenditures on programs:

- \$79.0 million on transit
- \$63.2 million on local streets and roads
- \$31.3 million on paratransit
- \$7.2 million on bicycle and pedestrian

Alameda CTC expended \$10.7 million of Measure B funds and \$147.9 million of Measure BB funds on capital projects included in the Transportation Expenditure Plans (TEP) for transportation infrastructure improvements.

FY2023-24 Measure BB Expenditures



Independent Watchdog Committee Findings and Recommendations

FY2023-24

To Our Fellow Alameda County Residents and Taxpayers—

Back in 1986, Alameda County voters passed the first Measure B, a half-percent sales tax dedicated to transportation improvements. In 2000, the voters approved the second Measure B, which continued the half-cent transportation sales tax. In 2014, you approved Measure BB, which increased that tax to a full percent and extended it through 2045. Measure BB funds big things that improve mobility, like the I-580 and I-680 express lanes, BART capital improvements, and little things that have no measurable impact on mobility, like the annual Bike to Anywhere Day goodie bags, and lots of stuff in between. In FY 2023-24 alone, Measures BB generated nearly \$383 million in revenue, which is about 2/3rds of the Alameda County Transportation Commission's overall budget.

Your Independent Watchdog Committee (IWC) purposes include: "... to review and oversee all expenditures and performance measures ... of the Measure BB transportation sales tax." The IWC does not choose which projects get funded and we do not have the authority to recommend new policies or redirect spending. The Commission insists that our role is to monitor and report on the implementation of Measure B and BB – but only after the fact. With that limitation, we are a post hoc oversight body, which makes it challenging to provide effective oversight in time to avoid improper or unwise expenditures.

The IWC continues to work with the Commission and Commission staff to improve our oversight and our reporting of oversight. While "Independent" is literally our first name, the IWC does not control its own bylaws and has little control over its work with Commission staff. The Commission's outside legal counsel has ruled that the IWC has no right to directly interface with the Commission at Commission meetings because our reporting mandate is to the public, not the Commission. While the latter interpretation is legally proper, it is illogical for the IWC to be prohibited from reporting our issues and recommendations directly to the Commission and its members in public meetings and to respond to replies and questions. These long-running issues are unresolved as of the preparation of this report.

We are encouraged to see progress in our push to improve oversight despite our constraints. The Commission's most recent Performance Reports—for FY 2022-23 and FY 2023-24—have made significant improvements in how performance is measured and communicated. This is especially true for Direct Local Distributions (DLDs), which fund four categories of ongoing transportation programs for local jurisdictions: transit, local streets and roads, bicycle and pedestrian infrastructure, and paratransit services.

In earlier years, data on DLD performance was sparse or unreliable. Metrics like "cost per passenger" were misleading or inconsistently defined. Some major operators—the Water Emergency Transportation Authority (WETA, aka Bay Ferry) and Capitol Corridor—were omitted entirely. Performance measure data presented to the IWC had notable inaccuracies—for instance, ACE transit trips for FY16/17 were overreported by a factor of 30, even after the IWC had previously flagged this error. Other measures, like "Total B/BB Cost per Passenger," were never officially adopted by the Commission, were analytically flawed to the point of misleading, and have since been removed. The most recent reports have corrected many of these issues. Cost and mileage data now aligns better with National Transit Database (NTD) data reported to the Federal Transit Administration for transit and paratransit, although there are still errors. In short, we see a genuine effort to improve accuracy and transparency, and we commend Alameda CTC staff for making those changes.

We also note for the record that Union City has submitted its compliance reports and audited financial data on a timely basis this year, after several years of recovering from a data breach hack. All jurisdictions need to monitor and reinforce their data security.

The IWC also has concerns about the countywide "High Injury Network" which identifies road segments of danger to pedestrians and bicyclists. We have tried, although unsuccessfully, to find a way to correlate DLD expenditures for local streets and roads and for bicycle/pedestrian purposes with whether they have a measurable impact in reducing or mitigating incidents and injuries. We intend to continue this quest.

But there is more to be done. We believe it is time to revisit the DLD performance metrics adopted in 2016. Those metrics are now approaching their 10-year anniversary and, under current agreements, their term limit. We recommend a transparent update process, with input from local jurisdictions, operators, the public, appropriate advisory bodies, and this committee. Oversight tools should evolve alongside the programs they're meant to track. We encourage the Commission to report more performance measures, both for individual municipalities and transit operators and in total, to utilize both time series and peer group analysis, and to make greater use of graphic reporting. Currently data is allowed to be available only in PDF form, for fear of being mis-used.

We also call for improved performance reporting for capital projects. Unlike DLD programs, where funding is ongoing and metrics are relatively straightforward, major capital projects tend to be one-off, large-scale efforts that span many years. For these, we'd like to see more consistent reporting on project delivery: are projects completed on time and on budget? Do they deliver the outcomes promised in initial proposals? How do they compare to original schedules, budgets, and performance expectations? Metrics like cost compliance, schedule compliance, and usage versus forecasted utilization—such as daily passengers or vehicle counts—should be tracked and published to allow determinations of actual benefits. And project quality should be addressed too: did construction meet technical standards? Are there issues that could increase maintenance or reduce the project's useful life? In order to fulfill our responsibility to monitor sales tax expenditure, this committee deserves the ability, as well as authority, to access contemporaneous data on projects, and to question them while they are in progress.

We also recommend modernizing how data is collected and shared. In many cases, agencies already submit detailed reports to the federal government—especially transit agencies reporting to the NTD. We suggest that Alameda CTC make full use of those existing submissions, both to reduce the reporting burden and improve accuracy.

We further recommend that Alameda CTC explore new ways of presenting data to the public, with an emphasis on an interactive website tool that would allow users to filter, explore, and analyze the data themselves. The level and variety of data that is annually provided to the PAPCO Program Plan Review subcommittees may be a basis from which to build.

The Independent Watchdog Committee sincerely appreciates and welcomes your interest. If you read through this report, or at least this page, tell us! We'd like to know if anyone reads this report and how you learned about it – please share your comments at [bit.ly/IWCFeedback2025](https://www.alameda-ctc.org/feedback)

You can also email us feedback and suggestions to: IndependentWatchdog@AlamedaCTC.org

Helpful Links

Alameda CTC homepage: <https://www.AlamedaCTC.org>
 Alameda CTC Meetings: <https://www.AlamedaCTC.org/all-meetings>
 Independent Watchdog Committee (IWC):
<https://www.AlamedaCTC.org/about-us/committees>
 IWC Annual Reports:
<https://www.AlamedaCTC.org/news-publications/annualreports>
 Alameda CTC Annual Performance Report:
<https://www.AlamedaCTC.org/news-publications/reports>

DLD Compliance Reports and Financial Audits:
<https://www.AlamedaCTC.org/funding/reporting-and-grant-forms>
 DLD Payments:
<https://www.AlamedaCTC.org/funding/direct-local-prog-dist-pay>
 2000 Measure B TEP:
<https://www.AlamedaCTC.org/funding/fund-sources/measure-b>
 2014 Measure BB TEP:
<https://www.AlamedaCTC.org/funding/fund-sources/measure-bb>