

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY**

DEPT: Public Works

BOARD AGENDA: 6.C.4
AGENDA DATE: January 23, 2018

SUBJECT:

Approval of a Master Agreement with the Stanislaus Council of Governments to Allocate the Local Control Funds derived from Measure L Receipts for Various Local Public Works Roads and Bridges Projects

BOARD ACTION AS FOLLOWS:

RESOLUTION NO. 2018-0053

On motion of Supervisor Withrow _____, Seconded by Supervisor Chiesa _____
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini _____


Noes: Supervisors: None _____

Excused or Absent: Supervisors: None _____

Abstaining: Supervisor: None _____

- 1) Approved as recommended
- 2) Denied
- 3) Approved as amended
- 4) Other:

MOTION:

ATTEST: 
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Public Works

BOARD AGENDA:6.C.4
AGENDA DATE: January 23, 2018

CONSENT:

CEO CONCURRENCE:

4/5 Vote Required: No

SUBJECT:

Approval of a Master Agreement with the Stanislaus Council of Governments to Allocate the Local Control Funds derived from Measure L Receipts for Various Local Public Works Roads and Bridges Projects

STAFF RECOMMENDATION:

1. Approve the Master Agreement, No. 2017-111, with the Stanislaus Council of Governments (StanCOG) for Local Streets and Roads, Traffic Management, and Bike and Pedestrian Improvement Projects derived from Measure L dedicated sales tax revenue.
2. Authorize the Chairman of the Board of Supervisors to sign the Master Agreement with StanCOG.

DISCUSSION:

On November 8, 2016, the voters of Stanislaus County approved Measure L, the Transportation Ordinance and Expenditure Plan for transportation projects in Stanislaus County. The measure provides funding for countywide local street and road improvements, arterial street widening and signalization, pedestrian, bicyclist, and driver safety improvements. These needed improvements are funded with the half-percent sales tax established for a twenty-five-year period, April 1, 2017 through March 31, 2042.

On November 17, 2017, the Stanislaus Council of Governments (StanCOG) Policy Board approved Resolution 17-10 Adopting the Measure L Master Funding Agreement. The Master Agreement sets forth the general terms and conditions each Jurisdiction must comply with in order to receive disbursement of "Local Control" (Local Streets and Roads, Traffic Management, and Bike and Pedestrian) funds. The funding will serve as an investment that will leverage future local, State, and Federal grant opportunities. Funds will be used for all phases of project implementation, including: planning, environmental permits and design, right-of-way, and/or construction capital and operations projects.

POLICY ISSUE:

The Board of Supervisors' approval is required by the State as the governing body of the Administering Agency to execute the Master Agreement.

FISCAL IMPACT:

Over the course of the 25-year plan, it is estimated that \$960 million dollars will be generated for local transportation investments. This amount was calculated based on a five-year average of sales tax revenues throughout the County that was then reduced to reflect a conservative estimate. Allocation of Self-Help revenues is established within the plan. The estimated revenue and allocation among categories is based upon 2016 value of money and is not binding or controlling. Transportation sales tax funds shall be allocated by percentage of the actual revenue received. Stanislaus County's share is 26.98% for the categories of Local Streets and Roads, Traffic Management, and Bike and Pedestrian. Combined estimated revenue for this portion of the plan is \$168,402,269 for the life of the 25-year plan. Revenue for the Regional Projects is estimated at \$268,884,000 and will be managed by StanCOG. Revenue for Transportation Programs and Services is estimated at \$67,221,000, with Stanislaus County's share for transit services estimated at \$4,436,586.

Approval of this item authorizes the County to receive projected funding from StanCOG as described above and within the approved Expenditure Plan (attached). Currently, two projects have been built and reimbursement is dependent upon the execution of the Master Agreement.

BOARD OF SUPERVISORS' PRIORITY:

The recommended action is consistent with the Board's priorities of providing Sustainable Resources and Infrastructure by entering into an agreement with StanCOG to administer local funding to improve and maintain the County's road and bridge network.

STAFFING IMPACT:

Existing Public Works staff is overseeing this master agreement.

CONTACT PERSON:

Matt Machado, Public Works Director

Telephone: (209) 525-4153

ATTACHMENT(S):

1. StanCOG Resolution 17-10
2. Measure L Master Funding Agreement
3. Measure L Expenditure Plan

**STANISLAUS COUNCIL OF GOVERNMENTS
RESOLUTION 17-10
ADOPTING THE MEASURE L MASTER FUNDING AGREEMENT**

WHEREAS, the Stanislaus Council of Governments (StanCOG) is a Regional Transportation Planning Agency and a Metropolitan Planning Organization (MPO), pursuant to State and Federal designation; and

WHEREAS, on November 8, 2016 the voters of Stanislaus County, approved Measure L thereby authorizing StanCOG to administer the proceeds from the one-half cent transaction and use tax ("Measure L"); and

WHEREAS, the duration of the Measure L sales tax will be 25 years from the initial year of collection, which began April 1, 2017, with the tax to expire on March 31, 2042; and

WHEREAS, the Measure L Master Funding Agreement delineates the requirements of the Measure L funds that are allocated to the jurisdictions within Stanislaus County for local streets and roads, traffic management and bike and pedestrian improvements, (collectively referred to as "Local Control Funds") and Transit Provider funds for Transit Services, as authorized by the Measure L Expenditure Plan; and

WHEREAS, each of the member agencies of StanCOG (Stanislaus County and the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock and Waterford) will be required to enter into the Measure L Master Funding Agreement prior to receiving Measure L fund disbursements; and

WHEREAS, the term of the Measure L Master Funding Agreement is three (3) years.

NOW, THEREFORE BE IT RESOLVED that the Measure L Master Funding Agreement is hereby adopted.

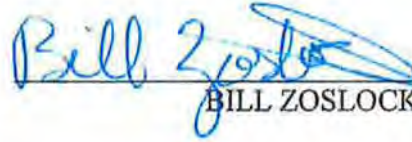
BE IT FURTHER RESOLVED that the Executive Director is authorized to execute a Measure L Master Funding Agreement with each of the StanCOG member agencies (Stanislaus County and the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock and Waterford) once each of the agency's governing board has approved the agreement.

BE IT FURTHER RESOLVED that the Executive Director is authorized to make administrative changes to the Measure L Master Funding Agreement, as needed, to ensure that the agreement is implemented in the most efficient and cost effective manner possible.

The foregoing Resolution was introduced at a regular meeting of the Stanislaus Council of Governments, on the 15th day of November, 2017. A motion was made and seconded to adopt the foregoing Resolution. Motion carried and the Resolution was adopted.

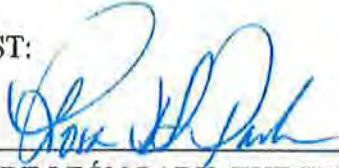
MEETING DATE:

November 15, 2017



BILL ZOSLOCKI, CHAIR

ATTEST:



ROSA DE LEÓN PARK, EXECUTIVE DIRECTOR

**MEASURE L MASTER FUNDING AGREEMENT
BETWEEN THE
STANISLAUS COUNCIL OF GOVERNMENTS
AND THE
COUNTY OF STANISLAUS**

This Measure L Master Funding Agreement (“AGREEMENT”), effective July 1, 2017, is entered into by and between the Stanislaus Council of Governments, acting as the Stanislaus County Transportation Authority (“STANCOG” or the “Authority”), and the County of Stanislaus (“RECIPIENT”).

RECITALS

A. On November 8, 2016 the voters of Stanislaus County, pursuant to the provisions of the Local Transportation Authority and Improvement Act, California Public Utilities Code Section 180000 et seq. (the “Act”), approved Measure L, thereby authorizing STANCOG to administer the proceeds from the one-half cent transaction and use tax (“Measure L”).

B. The duration of the Measure L sales tax will be 25 years from the initial year of collection, which began April 1, 2017, with said tax to expire on March 31, 2042. The tax proceeds will be used to pay for the programs and projects outlined in the Stanislaus Council of Government’s Expenditure Plan (the “Measure L Expenditure Plan”), as it may be amended.

C. Measure L authorizes the Authority (STANCOG) to sell or issue bonds to finance and refinance the transportation projects identified in the Measure L Expenditure Plan. Costs associated with bonding will be borne only by the projects included in the Measure L Expenditure Plan.

D. This AGREEMENT delineates the requirements of the Measure L funds that are allocated to the jurisdictions within Stanislaus County for local streets and roads, traffic management and bike and pedestrian improvements, (collectively referred to as “Local Control Funds”) and Transit Provider funds for Transit Services, as authorized by the Measure L Expenditure Plan. The jurisdictions (recipients) are Stanislaus County and the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford.

E. This AGREEMENT was originally approved by the STANCOG Policy Board on November 15, 2017.

NOW, THEREFORE, it is mutually agreed by and between the parties as follows:

ARTICLE I: FUNDING ALLOCATIONS

1. This AGREEMENT authorizes the STANCOG to allocate the Local Control Funds derived from Measure L receipts to the RECIPIENT as described in the voter-approved Measure L Expenditure Plan and as summarized below by jurisdiction for each of the three different programs covered under Local Control Funds (Local Streets and Roads, Traffic Management, and Bike and Pedestrian Improvements). Local Control Funds comprise 65% of the Measure L receipts (after deducting the 1% Administrative Expense Cap authorized in the Measure L Ordinance and Expenditure Plan).

Local Control Funds*

Ceres	6.36%
Hughson	1.26%
Modesto	35.79%
Newman	1.26%
Oakdale	3.86%
Patterson	4.55%
Riverbank	3.42%
Turlock	15.26%
Waterford	1.26%
Stanislaus County	26.98%
Total	100.00%

*Source: Measure I, Expenditure Plan

The breakdown of the 65% of Local Control Funds by program is as follows: 50% to Local Streets and Roads; 10% to Traffic Management; and 5% to Bike and Pedestrian Improvements.

2. This AGREEMENT authorizes the STANCOG to allocate the Transit Provider funds derived from Measure L receipts as described in the Measure L Expenditure Plan and as summarized below by jurisdiction for Transit Services (“Transit Services”). **(Include this Section ONLY for Agreement with a Provider of Transit Services).**

Transit Services*

Ceres	7.00%
Modesto	52.00%
Stanislaus County	33.00%
Turlock	8.00%
Total	100.00%

*Source: Measure L Expenditure Plan

ARTICLE II: FUNDING PREREQUISITES AND REQUIREMENTS

1. RECIPIENT shall annually submit to STANCOG:

a. A copy of RECIPIENT'S adopted Capital Improvement Program (CIP), roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution, or other document adopted by RECIPIENT'S governing board which identifies all programs and projects RECIPIENT intends to fund, either partially or in full, with Measure L funds and which identifies the schedule for project delivery. If RECIPIENT amends its CIP, roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution, or other adopted document at any time during the year, it shall provide a copy of the amended document to STANCOG within 15 business days of adoption by RECIPIENT'S governing board.

b. Annual Maintenance of Effort (MOE) calculation demonstrating RECIPIENT'S compliance with MOE. The MOE calculation shall be based on the prior three fiscal years' general fund spending on transportation purposes (local streets and roads) as reported to the State Controller's Office. The MOE calculation shall be verified by an annual independent audit, conducted at the RECIPIENT'S sole cost and expense. Adjustments to the MOE calculation may be made, subject to Authority approval, based upon the criteria stated in Section 9 of the Measure L Ordinance.

c. Annual independent audit of all of RECIPIENT'S Measure L accounts which audit shall be conducted at RECIPIENT'S sole cost and expense.

d. Any other documents or reports required to be submitted pursuant to the adopted Measure L Policies and Procedures, as may be amended.

2. If RECIPIENT has submitted all required documents and reports, STANCOG will disburse Measure L funds to RECIPIENT consistent with this AGREEMENT and in accordance with the adopted Measure L Policies and Procedures. RECIPIENT will receive Local Control Funds based on the percentage allocations summarized above and as set forth in the Measure L Expenditure Plan.

3. If RECIPIENT fails to comply with one or more of the requirements set forth in this Article II, STANCOG may withhold payment of Measure L funds to RECIPIENT until full compliance is achieved.

4. The governing body of the RECIPIENT will be the decision-making body for the use of the Local Control Funds within its jurisdiction.

5. Transit Providers (Transit Services) funds will be allocated 1.4% of the Measure L receipts (after deducting the 1% Administrative Expense Cap) and will be disbursed to Transit Providers at least quarterly or as set forth in the Measure L Policies and Procedures, whichever provides more frequent disbursements. **(Include this Section ONLY for Agreement with Provider of Transit Services).**

6. Percentage allocations identified in the Measure L Expenditure Plan are not subject to change unless two-thirds of the voters of Stanislaus County approve an amendment to the allocations.

7. The Measure L Ordinance and Expenditure Plan provide fund usage and eligibility guidelines by allocation category and RECIPIENT acknowledges and agrees that it shall comply with the provisions of the Measure L Ordinance and Expenditure Plan. The Measure L Ordinance and Expenditure Plan, as may be amended, is hereby incorporated in its entirety into this AGREEMENT by reference.

8. The StanCOG Policy Board has adopted Measure L Policies and Procedures which contain additional fund usage and eligibility guidelines and RECIPIENT acknowledges and agrees that it shall comply with the provisions of the Measure L Policies and Procedures. The Measure L Policies and Procedures, as may be amended, are hereby incorporated in its entirety into this AGREEMENT by reference.

ARTICLE III: PAYMENTS AND EXPENDITURES

A. STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG) DUTIES AND OBLIGATIONS

1. STANCOG shall remit to RECIPIENT its designated amount of Local Control Funds in accordance with this AGREEMENT.

2. STANCOG will provide a quarterly report to its Board of Directors which shall include all Measure L revenues distributed to each Recipient.

3. STANCOG shall provide for an independent annual audit of its Measure L financial statements including revenues and expenditures.

4. STANCOG shall provide timely notice to RECIPIENT prior to conducting an audit of expenditures made by RECIPIENT to determine whether such expenditures are in compliance with this Agreement, the Measure L Ordinance and Expenditure Plan, and the Measure L Policies and Procedures.

B. RECIPIENT'S DUTIES AND OBLIGATIONS

1. RECIPIENT shall expend all Measure L funds received in compliance with the Measure L Ordinance and Expenditure Plan, this AGREEMENT and the adopted Measure L Policies and Procedures.
2. RECIPIENT shall set up and maintain an appropriate system of accounts to report on Measure L funds received and spent. RECIPIENT must account for Measure L funds, including any interest received or accrued, separately for each program fund type, and from any other funds received from STANCOG. The accounting system shall provide adequate internal controls and audit trails to facilitate an annual compliance audit for each fund type and the respective usage and application of said funds.
3. RECIPIENT acknowledges and agrees that STANCOG and its representatives, agents and nominees shall have the absolute right at any reasonable time to inspect and copy any accounting records related to Measure L funds, except to the extent specifically prohibited by applicable law.
4. RECIPIENT agrees to provide STANCOG each fiscal year with an adopted copy of its Capital Improvement Program, roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution, or other document adopted by RECIPIENT'S governing board which identifies all programs and projects containing a description of all the projects and tasks that Measure L funds will pay for over that fiscal year, schedule and cost information for each project in its entirety, and other funds that will match the Measure L allocation.
5. RECIPIENT hereby acknowledges and agrees to the Maintenance of Effort requirement set forth in Section 9 of the Measure L Ordinance.
 - a. Pursuant to the intent of the Public Utilities Code section 180001, a jurisdiction cannot redirect monies currently being used for transportation purposes to other uses, and then replace the redirected funds with local street maintenance and improvement dollars from Measure L.
 - b. RECIPIENT hereby agrees to certify in the annual verification submitted to STANCOG that it has met the Maintenance of Effort requirement by demonstrating that the Measure L funds have been used to augment and not supplant local resources spent. The Maintenance of Effort calculation is set forth in Section 9.03 of the Measure L Ordinance and uses the RECIPIENT'S average general fund expenditures of the prior (3) three fiscal years spent for local transportation purposes.

c. RECIPIENT shall conduct an annual independent audit to verify that the Maintenance of Effort requirement was met by RECIPIENT.

d. If RECIPIENT does not meet its Maintenance of Effort requirement in any given year it may have its Local Streets and Roads fund received pursuant to the Measure L Expenditure Plan reduced in the following year by the amount by which RECIPIENT did not meet its required Maintenance of Effort. Such funds shall be redistributed to the remaining eligible jurisdictions.

6. RECIPIENT hereby agrees to and accepts the formulas used in the allocation of Measure L, as reflected in the Measure L Expenditure Plan.

7. RECIPIENT agrees to comply with the reporting requirements set forth in this AGREEMENT.

C. OTHER CONSIDERATIONS

1. **Transportation Purposes Only:** RECIPIENT shall use all Measure L funds solely for transportation purposes as defined by the Measure L Ordinance and Expenditure Plan. If RECIPIENT violates this provision, it must fully reimburse all misspent funds, including all interest which would have been earned thereon. The interest which would have been earned will be calculated using the current interest rate earned on local agency monies on deposit with Stanislaus County.

2. **Administrative and Staff Cost Limitations:** Direct costs associated with the delivery of programs and projects funded by Measure L, including direct staff costs and consultant costs, are eligible uses of Measure L funds, unless otherwise limited by the adopted Measure L Policies and Procedures.

a. In situations where RECIPIENT acts as the project manager, project sponsor or the lead agency for delivery of a regional project identified in the Measure L Expenditure Plan, RECIPIENT will be required to enter into a Cooperative Agreement for that regional project and the reimbursement of administrative and staff costs will be addressed pursuant to the terms of that Agreement.

b. STANCOG does not allow the reimbursement of indirect costs, unless the RECIPIENT submits an Indirect Cost Allocation Plan which may be considered by the Caltrans Independent Office of Audits and Investigations, on a case by case basis, for approval of the identified indirect costs. If the Indirect Cost Allocation Plan is approved by Caltrans, the approved plan shall be submitted to STANCOG to allow for reimbursement of those approved indirect costs. Notwithstanding the foregoing, the following items are not eligible for Measure L

reimbursement: activities related to obtaining matching funds for a project, activities related to general Measure L administration (not specific to the project), education or preparation performed by the project manager/sponsor (*e.g.*, presentation to Rotary, Kiwanis, Lions Clubs, etc.), activities related to another project (regional) not covered in a Cooperative Agreement, even if it is a Measure L project.

3. **Fund Exchange:** RECIPIENT shall have the authority to loan its Measure L receipts allocated to it for Local Control Projects to other recipients for the implementation of needed transportation projects. All such fund exchanges shall be reviewed and accepted by STANCOG in accordance with the adopted Measure L Policies and Procedures.

4. **CEQA:** All projects funded with Measure L funds will be required to complete appropriate California Environmental Quality Act (CEQA) and other environmental review as required.

ARTICLE IV: REPORTING REQUIREMENTS

A. REQUIREMENTS AND WITHHOLDING

RECIPIENT shall comply with each of the reporting requirements set forth in this Article IV. If RECIPIENT fails to comply with one or more of these requirements, STANCOG may withhold payment of further Measure L funds to RECIPIENT until full compliance is achieved.

1. RECIPIENT shall submit to STANCOG on a monthly basis:

a. Monthly revenue and expenditure reports which identify the Measure L revenue received and expended by RECIPIENT. All reports shall identify the revenue and expenses by project identified in RECIPIENT'S CIP, roadway resurfacing map, traffic management plan, pedestrian and bicycle plan, resolution or other document adopted by RECIPIENT'S governing board.

b. Monthly report of Measure L fund cash balances held by RECIPIENT.

2. RECIPIENT shall submit to STANCOG quarterly milestone reports which provides a narrative of the progress of all of RECIPIENT'S projects utilizing Measure L funding.

3. RECIPIENT shall, by March 31st of each year, submit to STANCOG, at the RECIPIENT'S expense, separate independently audited financial statements for the prior fiscal year ended June 30 of Measure L funds received and used.

4. RECIPIENT shall, by March 31st of each year, document expenditure activities and report on the performance of Measure L funded activities through the annual program compliance reporting process, or through other STANCOG performance and reporting processes as may be requested, including but not limited to the annual performance report, annual program plan and planning monitoring reports. This report shall be provided to StanCOG and the Measure L Citizens Oversight Committee within 90 days of the end of each fiscal year and shall include documentation as to whether or not RECIPIENT met the Maintenance of Effort requirement for that fiscal year.

5. RECIPIENT shall install or mount signage adjacent to each project or program in excess of \$250,000 funded in whole or in part by Measure L funds identifying the project or program as being funded by Measure L revenues.

6. RECIPIENT shall provide current and accurate information on RECIPIENT's website, to inform the public about how RECIPIENT is using Measure L funds. This information shall also be provided to STANCOG for posting on the Measure L website <http://www.stanislaus-localroadsfirst.com>

7. RECIPIENT shall actively participate in a "Public Awareness Program", in partnership with STANCOG as a means of ensuring that the public has access to information regarding which projects and programs are funded through Measure L funds.

8. RECIPIENT shall make its administrative officer or designated staff available upon request to render a report or answer any and all inquiries regarding RECIPIENT's receipt, usage, and/or compliance audit findings regarding Measure L funds before the Citizens Oversight Committee.

9. RECIPIENT agrees that STANCOG may review and/or evaluate all project(s) or program(s) funded pursuant to this AGREEMENT. This may include visits by representatives, agents or nominees of STANCOG to observe RECIPIENT's project or program operations, to review project or program data and financial records, and to discuss the project with Recipient's staff or governing board.

ARTICLE V: OTHER PROVISIONS

A. INDEMNITY BY RECIPIENT

Neither STANCOG, nor its governing body, elected officials, any officer, consultant, agent, or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Measure L funds distributed to RECIPIENT pursuant to this AGREEMENT. It is also understood and agreed, pursuant

to Government Code Section 895.4, RECIPIENT shall fully defend, indemnify and hold harmless STANCOG, its governing body, and all its officers, agents, and employees, from any liability imposed on STANCOG for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Measure L funds distributed to RECIPIENT pursuant to this AGREEMENT.

B. INDEMNITY BY STANCOG

Neither RECIPIENT, nor its governing body, elected officials, any officer, consultant, agent, or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by STANCOG under or in connection with any work, authority or jurisdiction delegated to STANCOG under this AGREEMENT. It is also understood and agreed, pursuant to Government Code Section 895.4, STANCOG shall fully defend, indemnify, and hold harmless RECIPIENT, and its governing body, elected officials, all its officers, agents, and employees from any liability imposed on RECIPIENT for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by STANCOG under or in connection with any work, authority or jurisdiction delegated to STANCOG under this AGREEMENT.

C. JURISDICTION AND VENUE

The laws of the State of California will govern the validity of this AGREEMENT, its interpretation and performance, and any other claims to which it relates. All legal actions arising out of this AGREEMENT shall be brought in a court of competent jurisdiction in Stanislaus County, California and the parties hereto hereby waive inconvenience of forum as an objection or defense to such venue.

D. ATTORNEYS' FEES

Should it become necessary to enforce the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable expenses and attorneys' fees from the other party.

E. TERM

The term of this AGREEMENT shall be from July 1, 2017 to June 30, 2020, unless amended in writing or a new Master Funding Agreement is executed between STANCOG and RECIPIENT.

F. SEVERABILITY

If any provision of this AGREEMENT is found by a court of competent jurisdiction or, if applicable, an arbitrator, to be unenforceable, such provision shall not affect the other provisions of the AGREEMENT, but such unenforceable provisions shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this AGREEMENT.

G. MODIFICATION

This AGREEMENT, and its Exhibits, as well as the referenced Measure L Ordinance and the Expenditure Plan, and the Policies and Procedures, constitutes the entire AGREEMENT, supersedes all prior written or oral understandings regarding Measure L funds. This AGREEMENT may only be changed by a written amendment executed by both parties.

H. CONFLICT OF OR INCONSISTENT TERMS

If there is a conflict between this Agreement and the Policies and Procedures, the Policies and Procedures will control.

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

/ / / /

IN WITNESS WHEREOF, the parties have executed this AGREEMENT by their duly authorized officers as of the date first written below.

STANISLAUS COUNTY

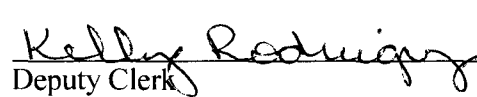
STANISLAUS COUNCIL OF GOVERNMENTS
(STANCOG)

By:  1/31/18
Jim DeMartini, Chairman
County Board of Supervisors
Date

By:  2/5/2018
Rosa De León Park
Executive Director
Date

Attest:
Elizabeth A. King,
Clerk of the Board

Reviewed as to Budget/Financial Controls:

By:  1/31/18
Deputy Clerk
Date

By:  2/5/18
Karen Kincy
Senior Financial Services Specialist
Date

Approved as to Form:
John Doering,
County Counsel

Approved as to Form:

By:  1-30-18
Deputy County Counsel
Date

By:  2/5/18
Monica Streeter
STANCOG General Counsel
Date

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY



For more information visit
www.Stanislaus-LocalRoadsFirst.com

State and federal transportation funding has dropped in recent years, with once dependable funds becoming increasingly unreliable. Transportation's primary fund source, the gas tax, hasn't been raised in 20 years and our cars are more fuel-efficient than ever. Therefore, revenues available to operate, maintain and improve our local transportation system have not kept up with the needs of our community. Over the next decade, Stanislaus County's population will continue to grow and our senior population will almost triple. This means without new funding, Stanislaus County will have increased congestion, increasingly deteriorating roadways and fewer and more costly transportation services.



The Modesto-Metro Area currently has the 20th worst roads in the United States.¹

Stanislaus County voters are being asked to approve a 25-year, ½ cent sales tax to address these needs. Twenty other counties in California (80%) have measures making them 'Self-Help' Counties. With these voter-approved local transportation funds, Self-Help Counties are able to maintain and improve their transportation systems. They are also more successful in competing for funding and leveraging a larger share of state and federal dollars. Self-Help funds generated must stay local and can only be spent on transportation.

The Stanislaus County Expenditure Plan ("Plan") was developed through a comprehensive public outreach program that asked residents to identify their priorities for future transportation programs and projects. Outreach included over 75 meetings with community organizations and leaders representing diverse viewpoints. Additionally, a series of focus groups were conducted along with a statistically valid telephone poll. The Plan has been unanimously supported and approved by the Stanislaus Council of Governments, all nine cities in the region and the County Board of Supervisors.

Self-Help in Stanislaus County would:

- **Generate approximately \$38 million per year based on ½ cent sales tax for an estimated total of \$958 million over the course of the measure's lifetime;**
- **Be used for LOCAL projects and LOCAL priorities;**
- **Allow Stanislaus County to compete for State and Federal grants and leverage funds, thereby increasing revenues;**
- **Deliver an Expenditure Plan with a specific list of projects and programs; and**
- **Include an Oversight Committee to ensure projects and programs in the Plan are actually funded and/or completed.**

1. TRIP, a national research group. "Bumpy Roads Ahead: America's Roughest Rides and Strategies to Make our Roads Smoother July 2015". http://www.tripnet.org/docs/Urban_Roads_TRIP_Report_July_2015.pdf

THE EXPENDITURE PLAN



Revenue Estimates and Distribution

Over the course of the 25-year plan, it is estimated that \$960 million dollars will be generated for local transportation investments. This amount was calculated based on a five-year average of sales tax revenues throughout the County that was then reduced to reflect a conservative estimate.

Allocation of Self-Help revenues is established within the Plan. The estimated revenue and allocation among categories is based upon 2016 value of money and is not binding or controlling. Transportation sales tax funds shall be allocated by percentage of the actual revenue received.

This funding will serve as an investment that will leverage future local, State and Federal grant opportunities. Funds will be used for all phases of project implementation, including: planning, environmental, permits, and design, right-of-way, and/or construction capital and operations projects. State and federal fund sources that may also be used to implement transportation projects and programs in the next decade include the State Regional Transportation Improvement Program (STIP), Inter-regional Transportation Improvement Program (ITIP), Fixing America's Surface Transportation (FAST) Act Freight and Highway Projects Program, Congestion Mitigation Air Quality (regional-estimate \$15M), Regional Surface Transportation Funds (regional-estimate \$10M), and Local Funding (e.g. developer fees, general funds, and Measure "Local Control").

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY

LOCAL CONTROL 65% TOTAL

- 50% Local Streets and Roads
- 10% Traffic Management
- 5% Bike and Pedestrian

Local Streets and Roads, 50%, \$480,150,000*

This Plan provides funds to local cities and Stanislaus County, distributed primarily based on sales tax revenue. Each agency will identify specific streets and roads that will be prioritized for repair and/or refurbishment.

These funds will be used exclusively for repair and maintenance – no new roads will be funded. These funds must be used to augment current transportation spending and cannot be used to replace a local agency's general fund expenditures.



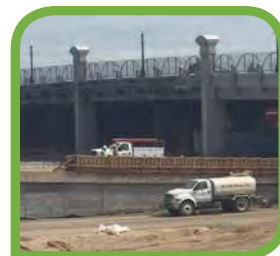
Available uses for the Local Control funding category include:

- Maintaining, improving or constructing streets, roads, bridges, and bicycle and pedestrian facilities.
- Community Enhancements, such as downtown streetscapes, transportation enhancements, way finding, and accessibility improvements, street lighting, street furniture and trees.

Jurisdiction	Local Street & Road Program %*	Total*	Total Annual*
<i>Ceres</i>	6.36%	\$30,552,381.79	\$1,222,095.27
<i>Hughson</i>	1.26%	\$6,048,075.58	\$241,923.02
<i>Modesto</i>	35.79%	\$171,868,971.22	\$6,874,758.85
<i>Newman</i>	1.26%	\$6,048,075.58	\$241,923.02
<i>Oakdale</i>	3.86%	\$18,528,231.53	\$741,129.26
<i>Patterson</i>	4.55%	\$21,840,272.92	\$873,610.92
<i>Riverbank</i>	3.42%	\$16,416,205.14	\$656,648.21
<i>Turlock</i>	15.26%	\$73,259,503.69	\$2,930,380.15
<i>Waterford</i>	1.26%	\$6,048,075.58	\$241,923.02
<i>Stanislaus County</i>	26.98%	\$129,540,206.98	\$5,181,608.28
TOTAL	100%	\$480,150,000.00	\$19,206,000.00

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY



Traffic Management, 10%, \$96,030,000*

These are projects including upgrades to local intersections, road widening, signalization, bridge replacements and/or traffic calming methods.

Available uses for the Local Control funding category include:

- Programs that reduce transportation demand and improve traffic management.
- Storm damage repair to transportation facilities and roadway drainage facilities.
- Traffic signal coordination, intersection and channelization.

Jurisdiction	Local Street & Road Program %*	Total*	Total Annual*
<i>Ceres</i>	6.36%	\$6,110,476	\$244,419
<i>Hughson</i>	1.26%	\$1,209,615	\$48,385
<i>Modesto</i>	35.79%	\$34,373,794	\$1,374,952
<i>Newman</i>	1.26%	\$1,209,615	\$48,385
<i>Oakdale</i>	3.86%	\$3,705,646	\$148,226
<i>Patterson</i>	4.55%	\$4,368,055	\$174,722
<i>Riverbank</i>	3.42%	\$3,283,241	\$131,330
<i>Turlock</i>	15.26%	\$14,651,901	\$586,076
<i>Waterford</i>	1.26%	\$1,209,615	\$48,385
<i>Stanislaus County</i>	26.98%	\$25,908,041	\$1,036,322
TOTAL	100%	\$96,030,000	\$3,841,200

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY



Bike and Pedestrian Improvements, 5%, \$48,015,000*

These projects include local connectivity between communities, local schools, trails and recreation facilities. Each agency will work closely with residents to determine the type, location and priority for new or upgrades to existing facilities.

Available uses for the Local Control funding category include:

- Safety improvements.
- Projects for local connectivity between schools and communities.

Jurisdiction	Local Street & Road Program %*	Total*	Total Annual*
<i>Ceres</i>	6.36%	\$3,055,238	\$122,210
<i>Hughson</i>	1.26%	\$604,808	\$24,192
<i>Modesto</i>	35.79%	\$17,186,897	\$687,476
<i>Newman</i>	1.26%	\$604,808	\$24,192
<i>Oakdale</i>	3.86%	\$1,852,823	\$74,113
<i>Patterson</i>	4.55%	\$2,184,027	\$87,361
<i>Riverbank</i>	3.42%	\$1,641,621	\$65,665
<i>Turlock</i>	15.26%	\$7,325,950	\$293,038
<i>Waterford</i>	1.26%	\$604,808	\$24,192
<i>Stanislaus County</i>	26.98%	\$12,954,021	\$518,161
TOTAL	100%	\$48,015,000	\$1,920,600

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY

REGIONAL CONTROL

*Regional Projects, 28%, \$268,884,000**

These funds would be used for planning, project development, right-of-way, and/or construction of major corridor, capital projects. Proposed regional projects are at different stages of implementation. The Plan includes a set of projects identified by a combination of public outreach, local agency priorities and StanCOG Board direction based on its adopted 2035 Regional Transportation Plan. Funds will be distributed for projects throughout the County with approximately \$30,000,000* left in reserve to accommodate future regional needs.



Project	Description	Total Budget*	Funded thru Plan*
SR-132	SR-99 to Gates Road Construct a four-lane expressway from SR-99 to Gates Road	\$297,000,500	\$74,250,125
North County Corridor	Design / Right of Way	\$239,000,000	\$59,750,000
Faith Home Road	Construction of Faith Home River Crossing / Gap Closure	\$71,700,000	\$17,925,000
SR-99	Briggsmore Interchange Reconstruct to 8 Lane Interchange	\$98,679,400	\$24,669,850
SR-99	Mitchell Service Road New Interchange Phase 1	\$122,987,400	\$30,746,850
SR-33	Highway and pedestrian safety improvements from Merced County line northward to Yolo Avenue	\$10,000,000	\$2,500,000
SR-99	Keyes Rd to Taylor Rd Construct Auxiliary Lane	\$6,226,600	\$1,245,320

Continued on next page

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY

Project	Description	Total Budget*	Funded thru Plan*
<i>SR-99</i>	Taylor Rd to Monte Vista Ave Construct Auxiliary Lane	\$6,520,300	\$1,304,060
<i>McHenry</i>	Ladd Rd to Hogue Rd Widen to 5 Lanes	\$13,025,000	\$2,605,000
<i>SR-99</i>	West Main Construct New Interchange	\$19,091,000	\$3,818,200
<i>Zacharias Rd</i>	Raines Rd to I-5 Construct new Interchange at I-5	\$75,000,000	\$7,500,000
<i>SR-99</i>	San Joaquin County Line to Mitchell Rd Install Ramp Metering Improvements including Intelligent Transportation Systems (ITS)	\$15,758,300	\$1,575,830
<i>SR-99</i>	Mitchell Rd to Merced County Line Install Ramp Metering Improvements including Intelligent Transportation Systems (ITS)	\$2,097,400	\$209,740
<i>SR108-SR120</i>	Oakdale / County Intersection Improvements at Rodeo	\$10,000,000	\$1,000,000
<i>Signal Improvements</i>	Riverbank Install Signal Light at Claus & SR-108 and Install Congestion Management Improvements at First Street & SR-108	\$4,201,000	\$420,100
<i>SR108-SR120</i>	SR-99 & Standiford Interchange Reconstruct to 8 Lane Interchange	\$78,943,500	\$7,894,350
TOTAL		\$1,070,230,400	\$228,414,425

TRANSIT PROVIDERS

- **Other Transportation Programs and Services, 7%, \$67,221,000***

*Point-To-Point Services For Seniors, Veterans And Persons With Disabilities \$20,166,300**

This is for specialized need-based door-through-door transportation services for seniors, veterans and persons with disabilities. These funds will be allocated to the existing MOVE Program, essentially tripling capacity for need-based services for the County's seniors, veterans and people with disabilities.

*Community Connections \$20,166,300**

Funds will be used for projects providing safer bicycle and pedestrian pathways in unincorporated areas, increasing bus/van service and upgrading bus stops. Many community members live in areas with limited public transit and/or bike connections to shopping, schools and work. Funds from this category will be used to boost services in these areas making it easier for people to access transit services and bike and pedestrian facilities.

*Transit Services \$13,444,200**

Funds will be used for operations, maintenance and infrastructure improvements for public transit. They may also be used to supplement local, state and federal funds for cost of transit service. These funds will be allocated to public transit providers to support or enhance public transit service throughout the region. This may include increasing frequency of service, identifying new routes and/or investment in ride sharing services.



STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY

Transit Category Estimated Funding Distribution

	Percentage ¹	Over 25 Years*	Annually*
<i>Total Amount to Be Distributed</i>	100%	\$13,444,200	\$537,768
<i>Ceres</i>	7%	\$941,094	\$37,644
<i>Modesto</i>	52%	\$6,990,984	\$279,639
<i>Stanislaus County</i>	33%	\$4,436,586	\$177,463
<i>Turlock</i>	8%	\$1,075,536	\$43,021
TOTAL	100%	\$13,444,200	\$537,768

¹ Percentage is consistent with the StanCOG Transit Cost Sharing as discussed at the Transit Managers meeting March 14, 2016



Rail Services \$13,444,200*

Funds will be used for operations, maintenance and infrastructure improvements for public transit connections to existing rail services. They may be used to supplement local, state, and federal funds for the cost of public transit connections to regional rail services including ACE, BART and Amtrak, and marketing to increase awareness and ridership across all rail services.

Funds may be used to increase ridership and/or fund new AMTRAK service and increase bus/van connections to existing ACE services to the Bay Area. No Funds will be used for high-speed rail.

SAFEGUARDS BUILT INTO THE PLAN

This Expenditure Plan includes strong taxpayer safeguards to ensure that the projects and programs approved by the voters are funded and delivered.

Citizen Oversight: An Oversight Committee will be created to provide an enhanced level of accountability for expenditures made under the Plan to ensure that all voter mandates are carried out and that the financial integrity and performance of the program is maintained. The Committee will include one representative from each municipal agency, selected by the agency.

Annual Independent Audit and Annual Reporting: Annual fiscal and compliance audits will be conducted by a CPA, to assure that the revenues expended are necessary and reasonable. The audits and annual Report must be published and made available to the general public.

Sunset Date: This measure terminates in 25 years.

1% Administrative Expense Cap: Expenditures on staff salaries, wages, benefits and overhead necessary to administer the program will be limited to no more than one percent of the annual gross revenues provided by the measure.

No revenue generated from this tax shall be used to replace fair share contribution from new development: Revenues provided from this measure shall not be used to replace private developer funding that has been or will be committed for any project to help alleviate the direct traffic impacts of any new or redeveloped residential, commercial or industrial development in Stanislaus County or its cities.

Eligibility Verification: The cities and County will select transportation projects that meet eligibility criteria as identified in this Plan. The local jurisdictions will certify in the annual verification submitted to the Stanislaus Council of Governments that these transportation funds were used for eligible expenses.

Maintaining Local Transportation Funding Efforts: The local jurisdictions will certify in the annual verification submitted to Stanislaus Council of Governments that these transportation funds will be used to augment and not supplant local resources spent. For purposes of this calculation an average of the prior three (3) years spent for local transportation purposes as defined in the Ordinance will be used.

Strategic Plan: StanCOG will prepare and adopt a Strategic Plan within twelve months of the sales tax taking effect. The Strategic Plan will include project cost estimates, revenue estimates, other matching funds, and a draft timeline for regional project delivery. Its prime purpose is to clarify program and project costs, schedule, financial plans and project readiness to expedite project delivery and to allow projects that are 'ready' to proceed forward within the parameters of the Expenditure Plan.

*** All revenue estimates and allocations contained in the Expenditure Plan are for illustrative purposes. Actual net revenues may fall above or below the projections contained in the Expenditure Plan, therefore actual revenue allocations to each category will be based on the percentages contained in the Expenditure Plan.**

STANISLAUS COUNCIL OF GOVERNMENTS MEASURE L

CERES | HUGHSON | MODESTO | NEWMAN | OAKDALE | PATTERSON | RIVERBANK | TURLOCK | WATERFORD | STANISLAUS COUNTY

FOR MORE INFORMATION

Contact the Stanislaus Council of Governments to inquire about the Measure process, discuss the candidate projects and programs contained within this Plan, or to inquire about the next steps in the Measure process.



StanCOG
Stanislaus Council of Governments

StanCOG is the Metropolitan Planning Organization (MPO) for the Stanislaus Region as designated by the federal government, and the Regional Transportation Planning Agency (RTPA) as designated by the State of California. An MPO/RTPA is a public organization that works with local governments and citizens in its region by dealing with issues and needs that cross city and county boundaries.



www.Stanislaus-LocalRoadsFirst.com