

**2018-2019 Stanislaus County Civil Grand Jury
Case #19-07GJ**

Is Measure L Measuring Up?

A special sales tax review of city and county road improvements



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SUMMARY

In November 2016 more than 70% of Stanislaus County voters approved Measure L, a 25-year one-half cent special sales tax used exclusively for regional and local transportation, as well as other transit improvements. All Measure L funds generated by this special tax stay in Stanislaus County.



The Stanislaus County Civil Grand Jury (SCCGJ) chose to open an investigation of Measure L after reading various stories, opinion pieces, and letters-to-the-editor in local newspapers and online sources. SCCGJ's intent of this investigation was to determine whether Measure L special sales tax dollars are spent as intended. Taxpayers often question if government decision-making exists for the benefit of the public; the SCCGJ wondered the same.

The Stanislaus Council of Governments (StanCOG) administers Measure L. While Measure L revenue disbursements go to regional county and transit projects, and transportation improvements in the nine county cities, SCCGJ narrowed the focus of the investigation to two entities: **Stanislaus Council of Governments** and **Local Jurisdictions**. SCCGJ further narrowed the focus on the local jurisdictions to the three cities of Ceres, Patterson, and Turlock. The investigation involved researching key documents from StanCOG and the three local jurisdictions. Once document review was completed, SCCGJ interviewed key personnel from StanCOG and representatives from Ceres, Patterson, and Turlock.

Initial media criticisms of some cities focused on little or no activity happening on observed transportation projects, although local jurisdictions were in design stages, accruing allocations before starting roadwork, or waiting to find available contractors. SCCGJ found through investigation that both StanCOG and local jurisdictions are implementing Measure L as promised to Stanislaus County residents.

GLOSSARY

BOE	Board of Equalization
FY	Fiscal Year
LTA	Local Transportation Authority
MFA	Master Funding Agreement
MOE	Maintenance of Effort

PCI	Pavement Condition Index
SCCGJ	Stanislaus County Civil Grand Jury
StanCOG	Stanislaus Council of Governments

BACKGROUND

In November 2016 more than 70% of Stanislaus County voters approved Measure L, a 25-year one-half cent special sales tax used exclusively for regional, local transportation, and transit improvements. Stanislaus County joined over 20 other California counties designated as Self-Help Counties. Self-Help Counties can address and improve transportation needs by allowing counties to leverage a larger share of future local, state, and federal transportation funding opportunities. All Measure L funds generated by this special sales tax stay in Stanislaus County and are spent only on transportation.

SCCGJ chose to open an investigation of Measure L after reading various stories, opinion pieces, and letters-to-the-editor in local newspapers and online sources. These media stories offered both praise and criticism of the new measure. SCCGJ’s objective was to determine whether Measure L special sales tax monies are being appropriately spent for intended purposes. SCCGJ acts as the civil watchdog for Stanislaus County taxpayers, ensuring honest and efficient government practices.

StanCOG is the Local Transportation Authority (LTA) that administers Measure L. Measure L monies are directed toward local jurisdictions, regional county, and transit projects. Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford comprise the nine local jurisdictions. Since Measure L is still in its infancy, SCCGJ elected to investigate StanCOG and fiscal year (FY) 17/18 of three of the nine local jurisdictions, choosing the cities of Ceres, Patterson, and Turlock.

METHODOLOGY

The 2018-2019 SCCGJ:

- Researched Measure L in local newspapers and online sources including stories, opinion pieces, and letters-to-the-editor
- Attended the November 27, 2018 Measure L Oversight Committee meeting
- Reviewed the following StanCOG documents:
 - Ordinance 16-01 Measure L Local Roads First Transportation Funding Measure
 - Resolution 17-10 Measure L Master Funding Agreement Local Control Funds
 - Resolution 17-11 Measure L Policies and Procedures Local Control Funds
 - Measure L Expenditure Plan

- Measure L FY17/18 revenue
- Measure L FY17/18 nine local jurisdictions' allocations
- FY 17/18 nine local jurisdictions' Monthly Reports
- FY 17/18 nine local jurisdictions' Quarterly Milestone Reports
- FY 17/18 nine local jurisdictions' Maintenance of Effort (MOE) form
- Reviewed the following documents of Ceres, Patterson, and Turlock:
 - FY 17/18 Measure L funds received
 - FY 17/18 Measure L planned and completed projects
 - FY 17/18 general fund budget
 - FY 17/18 city council agendas and minutes containing Measure L items
 - FY 17/18 StanCOG Monthly Report and Quarterly Narrative Report
 - FY 17/18 Maintenance of Effort form
- Interviewed key personnel from StanCOG, Ceres, Patterson, and Turlock

DISCUSSION

The purpose of this report is to examine both revenue and expenditure components of Measure L. StanCOG is the LTA that regulates and administers revenue generated by Measure L's special sales tax receipts. SCCGJ investigated StanCOG's control and implementation of the measure along with local jurisdictions' compliance with policies and procedures. Additionally, since Measure L is a 25-year special transportation tax, this investigation establishes a benchmark for any future Stanislaus County civil grand juries wanting to monitor the measure's promises.

This report confirms that years of neglect in road repair and maintenance, not only in Stanislaus County but the entire state, created a critical need for additional transportation funds. The discussion section begins with on-going state and county transportation issues. Stanislaus County certainly is not alone as studies show the entire state of California suffers from funding shortfalls. These sections depict for the reader a chronological and logical progression of Measure L.

State of California Roads

The 23rd *Annual Highway Report* ranks California 42nd in the nation in highway performance and cost-effectiveness and 46th in urban interstate pavement condition (Reason Foundation, 2018). The cost for all unfunded repairs identified by state and local officials in the coming decade is about \$135 billion.

Existing California gas taxes that support road repairs are among the highest in the country, but the state has some of the worst roads in the United States (Reason Foundation, 2018; CALmatters, 2015). Senate Bill 1, signed by Governor Jerry Brown in April 2017, increased the

state’s gas tax by 12 cents per gallon from 34.7 cents per gallon to 46.7 cents per gallon. Due to aging infrastructure, rising construction costs, and budget constraints, the state’s local road network continues to fall into disrepair. Heavy vehicles, increased population and traffic, and alternative modes of transportation cause excessive demands on California’s streets and roads.

Stanislaus County Roads

The Road Information Program (TRIP), a national transportation research group, ranked the Modesto-metro area 20th in the nation of 200K-500K mid-sized urban areas, with the highest share of major roads in poor conditions. The ranking is gleaned from federal statistics. An urban metro area includes the major city in a region and its neighboring or surrounding suburban areas (TRIP, 2018).

Roadways in Stanislaus County are evaluated periodically for aging conditions. The evaluation is based on the Pavement Condition Index (PCI). PCI is used to rate the condition of the surface of a road network. PCI provides a numerical rating for the condition of roadway segments within the transportation network, where 0 is the worst condition and 100 is the best. PCI measures the type, extent, and severity of pavement surface distresses (typically cracks and rutting), and the smoothness and ride comfort of the road. In the most recent review, Stanislaus County local jurisdictions had an average PCI of between 50 and 70, which is considered **At Risk**.

PCI SCORES		Jurisdiction	Score	Condition
86-100	Excellent			
71-85	Good	Ceres	61	At Risk
50-70	At Risk	Hughson	71	Good
0-49	Poor	Modesto	50	At Risk
		Newman	61	At Risk
		Oakdale	61	At Risk
		Patterson	61	At Risk
		Riverbank	71	Good
		Stanislaus County	49	Poor
		Turlock	61	At Risk
		Waterford	71	Good

Source: League of California Cities “California Statewide Local Streets and Roads Needs Assessment”, 2016

Stanislaus County’s estimated population in 2017 was 547,899. By the year 2040, the projected population will reach approximately 707,000 people. Population growth of 29% is forecast to result in over 50,000 new housing units and 47,000 new jobs. Increases in population and housing also create a greater need for road improvement. Nearly every trip – whether by car, bus, bike, or foot – begins and ends on a local street or road. Unmaintained roads cost consumers

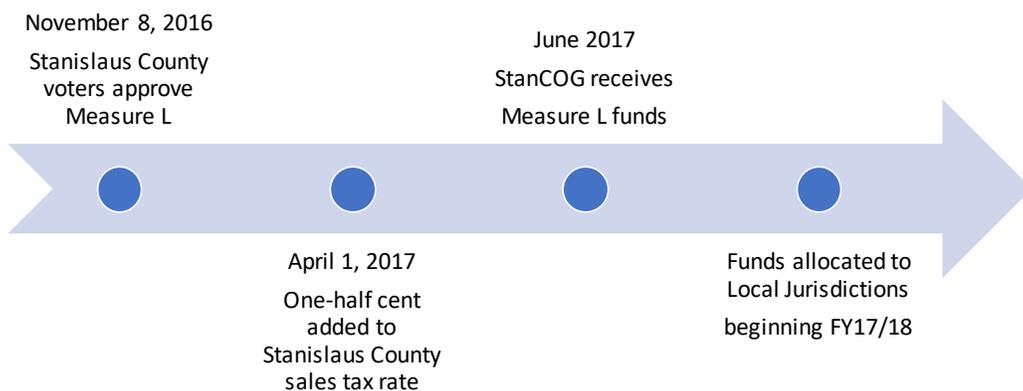
needless repairs to damaged vehicles and tires and decreases safety for drivers and pedestrians. The local system is critical for the economy, the safety and mobility of the traveling public, emergency responders, law enforcement, and other transportation modes such as bicycles and buses.

Stanislaus County Voters Approve Measure L

In November 2016 more than 70% of Stanislaus County voters approved Measure L, a 25-year one-half cent special sales tax used exclusively for regional and local transportation improvements. Stanislaus County then joined over 20 other California counties designated Self-Help Counties. Self-Help Counties can address and improve transportation infrastructure needs allowing leverage of a larger share of future local, state, and federal transportation funding opportunities. All Measure L funds generated by this special tax stay in Stanislaus County.

Safe, efficient streets and roads in Stanislaus County are the most important components of getting from Point A to Point B. With the passage of Measure L, local jurisdictions now can improve more roads, thus upgrading the appearance and infrastructure of the entire community. StanCOG distributes Measure L sales tax revenues to local cities. Each entity identifies and prioritizes specific streets and roads for repair and/or refurbishment. These funds are used exclusively for repair and maintenance. No new roads can be funded. Measure L mandates that local jurisdictions use the funds to augment current transportation spending but not replace a local entity's general fund expenditures.

Measure L Timeline



StanCOG Investigation



The Stanislaus Council of Governments (StanCOG) is the Local Transportation Authority (LTA) that administers Measure L. Initial steps taken in the Measure L investigation were requests for documents. SCCGJ mailed document requests to StanCOG on October 4, 2018 with another request for additional documents on November 7, 2018. The agency responded quickly, submitting organized, easy-to-read groups of documents.

SCCGJ interviewed StanCOG on November 22, 2018. A StanCOG representative answered all questions without hesitation. The decision to interview StanCOG prior to interviewing the three local jurisdictions was very beneficial for SCCGJ. SCCGJ gained a greater understanding of the measure from development to inception. Major interview topics included the following:

- Ordinance 16-01
- Resolution 17-10
- Resolution 17-11

Ordinance 16-01

- **Measure L Local Roads First Transportation Funding Measure**

Ordinance 16-01 was adopted by the Local Transportation Authority on June 22, 2016, establishing and implementing a retail transaction and use tax (Appendix A). This ordinance provides the execution of the *Measure L Expenditure Plan*. The ordinance includes local street and road improvements, traffic management, and bicycle and pedestrian safety. Each jurisdiction must create a special fund account into which Measure L allocations are deposited. Sales tax revenues are distributed monthly to StanCOG by the California Board of Equalization (BOE). The BOE Measure L sales tax collection began on April 1, 2017 with the first distribution to StanCOG in June 2017. StanCOG is a “pass-through” agency which allocates monthly funds to local jurisdictions but has no control or oversight of entities’ projects. In FY17/18 StanCOG received the following Measure L funds from BOE:

Total StanCOG FY 17/18 Measure L Funds Received*

July 2017	Aug	Sept	Oct	Nov	Dec 2017
2,310,300	3,080,400	4,816,568	2,406,400	3,208,500	5,375,999
Jan 2018	Feb	March	April	May	June 2018
2,727,300	3,636,400	4,541,240	2,622,200	4,385,509	3,234,554

*Source: StanCOG interviewee

- **Maintenance of Effort (MOE)**

The intent of the Legislature and the LTA is that revenues provided from Ordinance 16-01 be used to supplement existing revenues for transportation projects, improvements and programs. 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 subsequently replace the redirected funds with local street maintenance and improvement dollars from the sales and use tax. To meet the requirements of state law and to receive local streets and roads funds, a local jurisdiction must demonstrate maintenance of a minimum level of street and road expenditures to conform with the provision below:

“Annual expenditures of a local jurisdiction’s general funds for transportation purposes shall not be an amount less than the three-year average of its annual expenditures from its general fund during the prior three fiscal years. In calculating the three-year average annual general fund expenditures, any unrestricted funds which the local jurisdiction may expend at its discretion, expended for transportation purposes are expenditures from the general fund.”

Source: Ordinance #16-01 Section 9.03.01

- **Safeguards**

The Measure L Oversight Committee was established to review an independent fiscal audit of local jurisdictions’ expenditures. The committee issues an annual report of its findings to StanCOG regarding compliance with the *Measure L Expenditure Plan* and the *Measure L Ordinance*. The committee is responsible for oversight of the proper use of sales tax funds, implementation of the programs and projects set forth in the expenditure plan, and recommendations to StanCOG. The committee is not a policy-making body. The committee consists of one representative from each of the following jurisdictions: Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, Waterford, and County of Stanislaus. Members of the Measure L Oversight Committee are not permitted to be members of any other authority or StanCOG committee(s).

Resolution 17-10

Resolution 17-10 was approved on November 15, 2017 by the StanCOG Policy Board adopting the *Measure L Master Funding Agreement (MFA)*. Each local jurisdiction entered into a three-year *Measure L Master Funding Agreement* with StanCOG. In 2020 the MFA will be renegotiated with StanCOG.

An MFA requires:

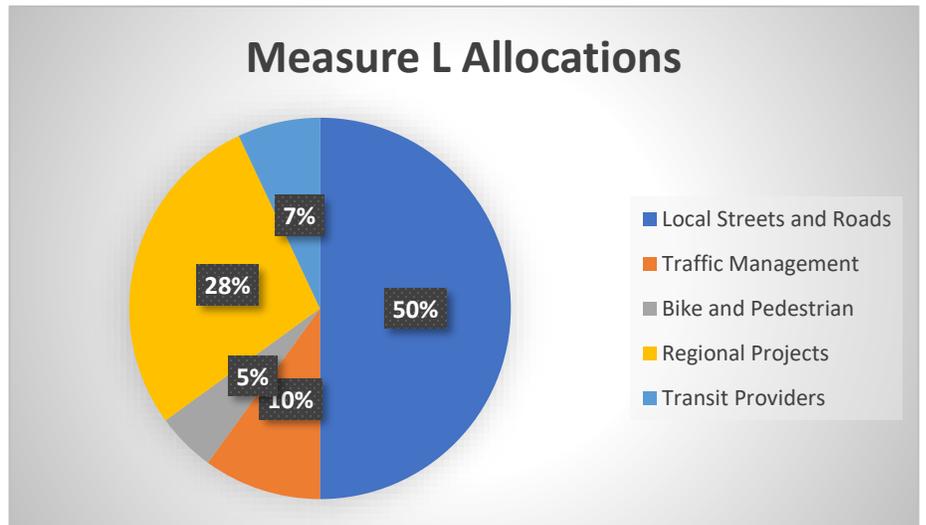
- StanCOG to allocate local control funds as received from Measure L
 - The following chart indicates 100% of funds allocated to each jurisdiction:

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%

*Source: Measure L Expenditure Plan

- Breakdown of allocations for local jurisdictions to be 65% of total Measure L receipts (see chart above): Local Streets and Roads 50%; Traffic Management 10%; and Bike and Pedestrian Safety 5%
- Local jurisdictions to submit copies of capital improvement plans and all other approved projects and programs annually
- Local jurisdictions to provide annual calculation of the MOE
- Annual reports of all related activities due 90 days after end of fiscal year
- A separate fund for all Measure L allocations including accounting efficiencies for easy tracking
- Compliance reporting requirements including a monthly revenue and expenditure report by project and cash balances
- Quarterly Milestone Reports providing a narrative of progress of projects using Measure L funds
- Signage at all Measure L projects
- Dedicated space on its city website informing the public of funding use



Total Local Jurisdictions FY 17/18 Measure L Funds Received*

Ceres	Hughson	Modesto	Newman	Oakdale	Patterson	Riverbank	Turlock	Waterford
1,828,270**	362,204	10,288,329	362,204	1,109,610	1,307,960	983,126	4,386,697	362,204

*Source: StanCOG **Rounded to nearest dollar

Program Allocations of Est. FY 17/18 Revenue Assumptions

Total Allocation from BOE	40,845,607*
Less StanCOG Administration 1%	408,456*
Remaining Allocations	40,437,151*

Expenditure Plan Categories/Funds	Allocation Percentages	Jurisdiction Categories/Funds	TOTAL CATEGORY
LOCAL CONTROL 65% 26,284,148			
Local Streets and Roads - 50%			20,218,576
	6.36%	Ceres - Local Streets & Roads	1,285,901
	1.26%	Hughson - Local Streets & Roads	254,754
	35.79%	Modesto - Local Streets & Roads	7,236,228
	1.26%	Newman - Local Streets & Roads	254,754
	3.86%	Oakdale - Local Streets & Roads	780,437
	4.55%	Patterson - Local Streets & Roads	919,945
	3.42%	Riverbank - Local Streets & Roads	691,475
	15.26%	Turlock - Local Streets & Roads	3,085,355
	1.26%	Waterford - Local Streets & Roads	254,754
	26.98%	Stanislaus County - Local Streets & Roads	5,454,972
	100.00%		
Traffic Management - 10%			4,043,715
	6.36%	Ceres - Traffic Management	257,180
	1.26%	Hughson - Traffic Management	50,951
	35.79%	Modesto - Traffic Management	1,447,246
	1.26%	Newman - Traffic Management	50,951
	3.86%	Oakdale - Traffic Management	156,087
	4.55%	Patterson - Traffic Management	183,989
	3.42%	Riverbank - Traffic Management	138,295
	15.26%	Turlock - Traffic Management	617,071
	1.26%	Waterford - Traffic Management	50,951
	26.98%	Stanislaus County - Traffic Management	1,090,994
	100.00%		
Bike and Pedestrian - 5%			2,021,858
	6.36%	Ceres - Bike and Pedestrian	128,590
	1.26%	Hughson - Bike and Pedestrian	25,475
	35.79%	Modesto - Bike and Pedestrian	723,623
	1.26%	Newman - Bike and Pedestrian	25,475
	3.86%	Oakdale - Bike and Pedestrian	78,044
	4.55%	Patterson - Bike and Pedestrian	91,995
	3.42%	Riverbank - Bike and Pedestrian	69,148
	15.26%	Turlock - Bike and Pedestrian	308,535
	1.26%	Waterford - Bike and Pedestrian	25,475
	26.98%	Stanislaus County - Bike and Pedestrian	545,497

*Source: StanCOG. Includes Stanislaus County regional projects

Resolution 17-11

Resolution 17-11 was approved on November 15, 2017 by the StanCOG Policy Board adopting *Measure L Policies and Procedures: Local Control Funds*. The policies and procedures were written to ensure each jurisdiction expend Measure L allocations appropriately. It holds local jurisdictions to a high standard of government spending with accountability to cities, residents, and government agencies. Resolution 17-11 includes:

- Measure L purpose
- Purpose of *Measure L Policies and Procedures: Local Control Funds*
- Signed *Measure L Master Funding Agreement*
- Reporting requirements
- Administrative and staff costs
- Fund Exchange

StanCOG Interview Summary

At the time of the interview, the StanCOG interviewee stated all local jurisdictions were compliant for FY17/18. Requirements for a jurisdiction's compliance include meeting all reporting and submittal requirements described in the *Measure L Master Funding Agreement* and the *Measure L Policies and Procedures: Local Control Funds. A Reporting and Submittal Requirements* template is available to jurisdictions in Appendix II of the policies and procedures document. The template includes a checklist and due dates for reporting requirements.

Refer to the Methodology section for all documents received from StanCOG. All documents were clear, concise, and organized. The agency's comprehensive background work addressed development and implementation of projects, and attainment of goals, ensuring all areas of fiscal concern were addressed.

SCCGJ learned the California State Board of Equalization (BOE) distributes sales tax receipts monthly to StanCOG who in turn disburses funds to compliant local jurisdictions. A local jurisdiction might be considered non-compliant if required StanCOG reports are submitted late or are incomplete. Funds are withheld and accrue until the local jurisdiction becomes compliant.

The Maintenance of Effort (MOE) was foreign to SCCGJ, but the interviewee made a thorough effort to explain the concept in layperson's terms. MOE numbers are based on a jurisdiction's previous three years of general fund transportation expenditures. These numbers are released from the California State Controller's office. The MOE is dynamic, changing each new fiscal year by reflecting the previous three years' numbers. Both StanCOG and local jurisdictions supplied FY 17/18 MOE reports to SCCGJ.

StanCOG key personnel review required annual, quarterly, and monthly reports. StanCOG has developed *Abila*, a cloud-based revenue and expenditure accounting program for Measure L. Each jurisdiction must upload monthly financial reports into *Abila*, since it is not yet set up to integrate with each city's accounting platform. Quarterly Milestone Reports are narrative and include overall project details and status, funds expended, photos, and/or renderings.

A Fund Exchange option is built into the *Measure L Master Funding Agreement* allowing local jurisdictions to loan money to another local jurisdiction in Stanislaus County. To date, none of the jurisdictions have participated.

Local Jurisdiction Investigation



SCCGJ focused the investigation on three of the nine local jurisdictions: Ceres, Patterson, and Turlock. The reasoning was based on location, relationship to other cities, city dynamics, and population. Patterson is one of the fastest growing cities in the county. Turlock is the second largest city in the county. Ceres is representative of smaller communities in the surrounding areas. Each of these cities has increasing transportation needs and issues.

SCCGJ mailed document requests to key personnel on October 4, 2018 with another request for additional documents on November 7, 2018. Cities responded by the given deadlines, submitting organized, easy-to-read groups of documents.

SCCGJ interviewed key personnel from Ceres, Patterson, and Turlock. Interviews occurred on December 12, 2018, December 20, 2018, and January 10, 2019. The purpose of the interviews was to compare and validate information and facts received from both StanCOG and local jurisdictions. SCCGJ determined one-third of the entities was enough representation for all nine local jurisdictions. SCCGJ got an overall look at spending and compliance along with information on project priorities, management, and ease of reporting.

The SCCGJ compiled a list of questions for interviewees. For comparison and fairness, the same questions were asked of all three representatives.

The following topics were covered in the interviews:

- FY 17/18 Funding
- Projects
- Maintenance of Effort
- Accounting System and Reporting

Local jurisdictions are the big winners by the passage of Measure L. Cities that have gone years with no or very little access to general funds for transportation projects such as street and road maintenance, traffic management, and bike and pedestrian upgrades, now are reaping the benefits of the Measure L special transportation sales tax. Long-awaited projects can be planned, implemented and completed, improving a city’s appearance and attractiveness. In addition, city residents can see the extra one-half cent sales tax increase at work.

FY 17/18 Funding

Each of the three jurisdictions provided records for FY 17/18 general fund budget which included a separate fund number assigned to all Measure L projects, per the *Master Funding Agreement*. SCCGJ requested information on the total funds received for FY 17/18; all entities complied. The chart below compares the dollar figure reported between local jurisdictions and StanCOG. SCCGJ asked StanCOG and the representatives from Ceres and Turlock to explain the discrepancy in the numbers. At the time of the interview, both city representatives were unsure as to whether their city’s accounting system was up-to-date. This difference in reporting was corroborated by StanCOG and will be reconciled in the annual audit.

FY 17/18 Local Jurisdiction Funds Received

	Ceres	Patterson	Turlock
Local Jurisdiction*	1,738,432	1,307,960	4,436,228
StanCOG**	1,828,270	1,307,960	4,386,697
Difference	89,838	0	49,531

Source: *Reported by jurisdiction **Reported by StanCOG

Projects

SCCGJ learned that for FY 17/18 Ceres, Patterson, and Turlock were compliant with the *Measure L Ordinance, Policies and Procedures*, and the *Measure L Master Funding Agreement*. Compliance was confirmed by documents, reports, letters, and emails submitted to SCCGJ.

The local jurisdictions’ city councils approve major projects paid with Measure L funds. Pavement Condition Index (PCI) is used to rate the condition of the surface of a road network; it

provides a numerical rating for the condition of roadway segments within the transportation network, where 0 is the worst condition and 100 is the best. The PCI measures the type, extent, and severity of pavement surface distresses (typically cracks and rutting), and the smoothness and ride comfort of the road. City engineering and planning departments designate roads which need attention, usually roadways of high-volume traffic and low PCI ratings. Cities put major projects out to bid to commercial contractors while city staff act as project managers.

Measure L funds were used on the following FY 17/18 major projects from design phase to completion:

- Ceres: Mitchell Road overlay; Service Road overlay; various slurry seal street projects; and traffic management at intersections
- Patterson: Sperry Avenue overlay; Las Palmas Avenue overlay; and various slurry seal street projects
- Turlock: West Main corridor reconstruction; Golden State Avenue rehabilitation design phase

Maintenance of Effort (MOE)

The intent of the Legislature and the LTA is that revenues provided from Ordinance 16-01 be used to supplement existing revenues only for transportation projects, improvements and programs. Measure L allocations supplement the MOE to repair and maintain existing local jurisdiction roads.

Ceres and Turlock MOE showed \$0 dollars spent in general funds for road maintenance, traffic management and bike/pedestrian safety in the three prior fiscal years, FY14/15, FY15/16 and FY16/17. Patterson's MOE three-year average was \$427,727.

Accounting System and Reporting

The Measure L MFA requires specific duties and obligations regarding accounting and reporting by local jurisdictions. Following is a partial list of duties and obligations discussed during interviews:

- Capital improvement projects
- Training sessions on the use of the StanCOG *Abila* database
- Monthly and quarterly reports
- Measure L revenues and expenditures
- Signage requirements;
- City website requirements

Ceres, Patterson and Turlock Interview Summary

SCCGJ interviewed key city personnel who are the planners and implementers of Measure L projects. City financial departments also work closely with Measure L project management. Two-to-three staff members representing engineering, planning, and finance attended *Abila* training. All trainees have access to the StanCOG *Abila* program. Interviewees from Patterson and Turlock lacked detailed knowledge of Measure L financing and relied on finance departments for information. Typically, finance was responsible for the monthly revenue and expenditure reporting, while project management wrote and submitted the quarterly narrative reports.

Ceres, Patterson, and Turlock have posted signage at all Measure L projects. Signage shows residents how the additional one-half cent sales tax is being used to improve cities. SCCGJ reviewed the websites of Ceres, Patterson, and Turlock and found no Measure L information posted. None of the three jurisdictions were aware that each city website is required to post up-to-date information on Measure L projects for transparency purposes.



Measure L project signage photos by Stanislaus County Civil Grand Jurors

Refer to Methodology section for all documents requested and received from Ceres, Patterson, and Turlock. Most documents were clear, concise, and organized; if not, clarification was requested during interviews. Interviewees' responses to questions were very similar.

SCCGJ acknowledges the newness of Measure L and expects some bumps along the road for local jurisdictions in the first few years.

COMMENDATIONS

- C1.** SCCGJ acknowledges the tremendous amount of research done by StanCOG prior to Measure L placed on the ballot in 2016.
- C2.** The Stanislaus County Council of Governments is to be commended for the development of a transportation special tax program of which StanCOG, and all of Stanislaus County, can be proud. Measure L is an efficient program that operates like a well-oiled machine and constitutes an important economic benefit to the county.
- C3.** SCCGJ appreciated StanCOG’s willingness to supply as much information as needed.

FINDINGS

- F1.** StanCOG developed a thorough, all-inclusive special sales tax program in Measure L which benefits all of Stanislaus County.
- F2.** After Stanislaus County voters approved Measure L in November 2016, both StanCOG and local jurisdictions moved quickly to implement the program.
- F3.** Ceres, Patterson, and Turlock have completed, or are in the process of completing, initial capital improvement projects approved by StanCOG. All three cities are meeting project goals.
- F4.** City project management lack detailed knowledge regarding Measure L funding.
- F5.** Ceres, Patterson, and Turlock have not developed a dedicated Measure L webpage on the cities’ websites.

RECOMMENDATIONS

- R1.** Local jurisdiction personnel managing the planning and engineering of Measure L projects need to familiarize themselves with the budget and finance portions of Measure L as written in the *Master Funding Agreement* and *Policies and Procedures*.
- R2.** Per the requirements of Measure L, Ceres, Patterson, and Turlock websites must contain information for the public noting accomplishments and project progress. A webpage or a link to a department webpage should be developed by December 31, 2019.

REQUEST FOR RESPONSES

Pursuant to Penal Code Section §933 and §933.05, the Stanislaus County Civil Grand Jury requests responses as follows:

From the following governing bodies within 90 days:

- StanCOG..... **F1, F2**
- City of Ceres..... **F1 – F5 and R-1, R-2**
- City of Patterson..... **F1 – F5 and R-1, R-2**
- City of Turlock..... **F1 – F5 and R-1, R-2**

INVITED RESPONSES

From the following elected officials within 60 days:

- Ceres City Council
- Hughson City Council
- Modesto City Council
- Newman City Council
- Oakdale City Council
- Patterson City Council
- Riverbank City Council
- Turlock City Council
- Waterford City Council
- Stanislaus County Board of Supervisors

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

APPENDIX A

<http://stanislausmeasurel.com/wp-content/uploads/2018/10/Measure-L-Ordinance.pdf>

SOURCES

<https://reason.org/policy-study/23rd-annual-highway-report/>

<https://calmatters.org/articles/long-neglected-road-maintenance-is-now-urgent-and-expensive/>

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<http://rebuildingca.ca.gov/overview.html>

<https://www.ci.ceres.ca.us/>

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<https://www.turlockjournal.com/news/government/first-measure-l-projects-to-focus-on-road-restoration/>

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