

June 15, 2006

The Honorable Judge Rodney Melville
Superior Court
312-M East Cook Street
Santa Maria, CA 93455-5165

Santa Barbara County Civil Grand Jury
Attention: Foreperson
1100 Anacapa Street
Santa Barbara, CA 93101

Honorable Judge Melville:

The 2005-06 Santa Barbara County Civil Grand Jury recently released its report entitled "*Measure D—Progress as Promised?*" The report names the Santa Barbara County Association of Governments (SBCAG) as an affected agency and requires that SBCAG provide responses to the relevant findings and recommendations. SBCAG's responses are included in this letter.

SBCAG would like to thank the Grand Jury for examining this critical issue. The report is timely, as voters will be casting ballots on a proposed renewal of Measure D at the November 2006 general election. We believe that the report has been well researched by the Grand Jury and has prepared a report that is both factual and informative.

Finding 1: All construction projects in the original Measure D Expenditure Plan have been completed on or ahead of schedule with the exception of the Highway 101 widening project, which was canceled in 1993 due to citizen opposition. The remaining funds from the Regional Program are being applied to complete additional projects of value to the transportation needs of the County.

SBCAG Response:

SBCAG agrees with the finding. The original expenditure plan adopted in 1989 by SBCAG (acting in its capacity as the Santa Barbara County Local Transportation Authority) identified specific highway improvement projects in the County that were to be completed using a portion of the revenues generated by the sales tax authorized by voter approval of Measure D. Construction of all the projects in the plan, with the exception of widening 101, was completed by 2002. To expedite completion of the Regional Highway Program, SBCAG issued revenue bonds to finance the projects and is using Measure D sales tax revenues to retire the bond debt.

The report notes correctly that widening of 101 south of Santa Barbara was not completed in part because of strong community opposition that emerged following the release of the Environmental Impact Report by Caltrans in 1993. SBCAG lead an effort to identify alternatives to the full widening project that would address growing traffic congestion in the corridor. This effort resulted in the approval of the 101 operational improvement projects in 1996. Funding from Measure D that was originally allocated to

the widening project was re-allocated by the SBCAG board through an expenditure plan amendment approved in 2003 to fund the operational improvements and interregional transit services.

Measure D funds originally allocated for the 101 widening project have been reallocated specifically for the following projects in the 101 corridor:

- 1) 101/Milpas to Hot Springs Operational Improvements (\$8.0 million). This project includes ramp and interchange improvements at both the 101/Milpas St and 101/Cabrillo/Hot Springs interchanges. The project will widen 101 to add a third southbound freeway lane from Milpas to Hot Springs and in the northbound direction 101 will be widened for auxiliary lanes from Hot Springs to Salinas and from Salinas to Milpas. Following completion of final design and right of way acquisition work, the project is expected to begin construction in 2007.
- 2) 101/Ortega Hill (\$5.2 million) This project is currently under construction and will be completed in early 2007. The scope of the project includes construction of a northbound 101 auxiliary lane from Evans Ave in Summerland to Sheffield drive and a Class 1 bike lane separated from the freeway by a barrier. The original allocation by the board was \$3.1 million in 2003, and this was increased in November 2005 to \$5.2 million to reflect the lowest responsible construction bid received.
- 3) Vista Coastal Express (\$1.5 million). The Coastal Express provides daily transit service between western Ventura County and the Santa Barbara South Coast. The system carries an average of 12,345 riders every month and provides an alternative for 101 commuters. Although the service recovers more than 60% of its costs through passenger fares an operating subsidy is required. The subsidy is shared by SBCAG and the Ventura County Transportation Commission.
- 4) 101 in Motion (\$1.1 million). As noted by the Grand Jury, attempts to widen 101 in the early 1990's failed, in part, because there was a lack of community consensus for the project. Recognizing the need to develop long term solutions to the growing traffic congestion problems on 101 and to have community support to implement these solutions, SBCAG in partnership with Caltrans, SBMTD, the County, the cities of Carpinteria, Goleta and Santa Barbara and the Air Pollution Control District to implement the 101 in Motion project. The 101 in Motion process included extensive public outreach as well as technical review of all potential options for relieving traffic congestion in the 101 corridor. The SBCAG board ultimately approved a consensus package of projects including widening 101 south of Santa Barbara, initiating commuter rail service from Ventura County to the South Coast, expanded interregional bus services and various operational and management improvement strategies.

All of the Measure D funded projects outlined above are consistent and compatible with the purpose and intent of the 101 widening project that was included in the original Measure D expenditure plan.

Finding 2: The 70% of Measure D revenues allocated to the local agencies has resulted in significant improvements in road and street pavement condition, local transit shuttle services in Carpinteria and Santa Barbara, and upgrades to the transportation infrastructure of the County and cities.

SBCAG Response:

SBCAG agrees with the finding.

Finding 3: The funds generated by the one-half-cent sales tax have been allocated as specified in the Expenditure Plan, and there is an audited accountability process to ensure that each local agency uses the funds as specified in its annual program of projects.

SBCAG Response:

SBCAG agrees with the finding.

Finding 4: The program of projects prepared by the cities of Goleta, Santa Barbara and Santa Maria do not specify in sufficient detail how their Measure D funds will be spent. The categories are too broad to provide transparency for their plans.

SBCAG Response:

SBCAG partially agrees with the finding. Each city and the County is required to annually adopt a program of projects identifying proposed expenditures of each agency's share of Measure D revenues for the upcoming 5 year period. Each agency is required to hold a public hearing prior to adopting the annual program of projects. The hearing allows interested members of the public to comment on the proposed expenditures of Measure D local funds. The public may request that the local agency governing board revise the proposed program including allocating funds for different projects and providing more specificity regarding proposed projects.

The annual programs of local projects adopted by most of the cities and the County provide sufficient detail to allow the public to determine how each agency intends to spend its share of Measure D funds. Some of the agencies including the three listed in the finding choose to aggregate work that is minor or similar in scope into a single project that does not identify specific locations. For example, the programs adopted by the cities of Goleta and Carpinteria include a "Street Maintenance and Improvements" project without specifying the specific streets that are included. This practice provides agencies with a degree of needed flexibility. It is common for the local agencies use their share of Measure D funds to establish an annual budget for particular transportation needs (e.g., pavement overlays, sidewalk/concrete repairs, street tree trimming, etc). The needs are prioritized and the agency will complete the improvements or repairs according to the priorities in as many locations as the budget will allow. Until bids and costs are known have been received it may not be possible to determine the specific locations that will be funded each year.

SBCAG agrees, however, that local agency programs of projects should be as specific as possible. Major projects should be specifically identified and to the extent possible, local agencies should provide information on the scope, location and type of work to be undertaken for each project include in the program of projects.

Finding 5: SBCAG, the cities and the County Public Works Department and the paratransit operators have not adequately publicized the positive results achieved through Measure D. This has allowed the public debate to be focused on a narrow set of policy issues, such as the desirability of mass transit vs. roads.

SBCAG agrees with this finding. Efforts by SBCAG and local agencies to inform the public about Measure D have been limited and should be expanded. SBCAG has not conducted a comprehensive, sustained public information program designed to publicize the overall benefits of Measure D for the region's transportation system. Many other "self-help" counties with local transportation sales tax measure programs have annually budgeted funds for this purpose while SBCAG has not. The Grand Jury report notes that State law prohibits the use of public agency resources to advocate for or against ballot measures, "it expressly permits public information programs intended and designed to educate the public about the facts underlying the measures."

SBCAG did create a new position of Government Affairs/Public Information Coordinator to expand SBCAG's public outreach and information programs which include Measure D related issues. SBCAG maintains information about Measure D projects on its website (www.sbcag.org) and has periodically issued reports and brochures about Measure D (eg., "Measure D 10 Year Progress Report") that provide general information about the benefits of Measure D for the region's transportation system and local residents.

Most of the public information efforts by SBCAG and the local agencies, however, have centered around the construction of specific projects including holding media events at the beginning and end of construction, placing Measure D signage and major construction projects, and providing information about projects to the public prior to and during construction projects (eg., lane closures, detours, nighttime construction work, etc).

Recommendation 1: Publicize the results of Measure D to date to raise the awareness of voters and enable them to make an informed decision about reauthorizing the transportation sales tax.

SBCAG's Response:

SBCAG agrees with this recommendation. It is particularly important that county voters have factual information about how Measure D funds are currently expended and how they will be expended if the November 2006 Measure D renewal ballot measure is approved. At its May 18, 2006 meeting the SBCAG board authorized the use of up to \$145,000 to carry out a public information program. Primary elements of the program include:

- Development of a brochure explaining Measure D and facts about the projects proposed to be funded through the renewal expenditure plan. The brochure would be distributed by mail to all registered voter households in the county and provided as a hand out at presentations to stakeholder groups
- Development of a newspaper insert with a similar content to be placed in local newspapers.

- Production of a 30 minute video with similar content to be aired periodically on local government access cable TV stations
- Development of Power Point presentation to be used in presentations to various stakeholder groups.

To ensure that the public information program is factual, impartial and complies with state laws prohibiting use of public agency resources for ballot measure advocacy, all materials will be reviewed by County Counsel and a representative SBCAG boardmember prior to being released. In addition, SBCAG has held a special workshop meeting and provided written guidance from County Counsel to local agency staff and governing board members on allowable use of public agency resources for public information programs.

Recommendation 3: Require that the annual program of projects for each jurisdiction specify in sufficient detail what will be accomplished with its Measure D funds.

SBCAG agrees with this recommendation. SBCAG will require beginning with fiscal year 07/08 that all local agencies including the three named in the report, Goleta, Santa Maria and Santa Barbara submit to SBCAG for adoption programs which provide the public with more detail on intended Measure D expenditures.

Additionally, the SBCAG board will be adopting a Measure D renewal ordinance at its June 15, 2006 meeting. The ordinance maintains the requirement that local agencies annually adopt a program of projects following a public hearing. The ordinance includes new provisions requiring the cities and the County to provide more specificity in its program of projects. Specifically, Section 17(A)(1) of the draft ordinance states in part:

The program of projects shall include information about each of the projects to be funded with revenues made available under Section 13(A) with sufficient detail including project location, scope, schedule, cost and funding sources to ensure that the program can be easily understood by members of the public. Projects involving work at various locations that are substantially similar or work that is minor in scope may be grouped together in the program as a single project. The program of projects shall also include a detailed description of local jurisdiction expenditures of local program funds from the previous fiscal year.

On behalf of the SBCAG board I would like to thank the Grand Jury for providing a well researched report on Measure D and for the opportunity to comment on the report's finding and recommendations. If you have any questions please contact SBCAG Executive Director, Jim Kemp.

Sincerely,

Joe Centeno
Chair, SBCAG